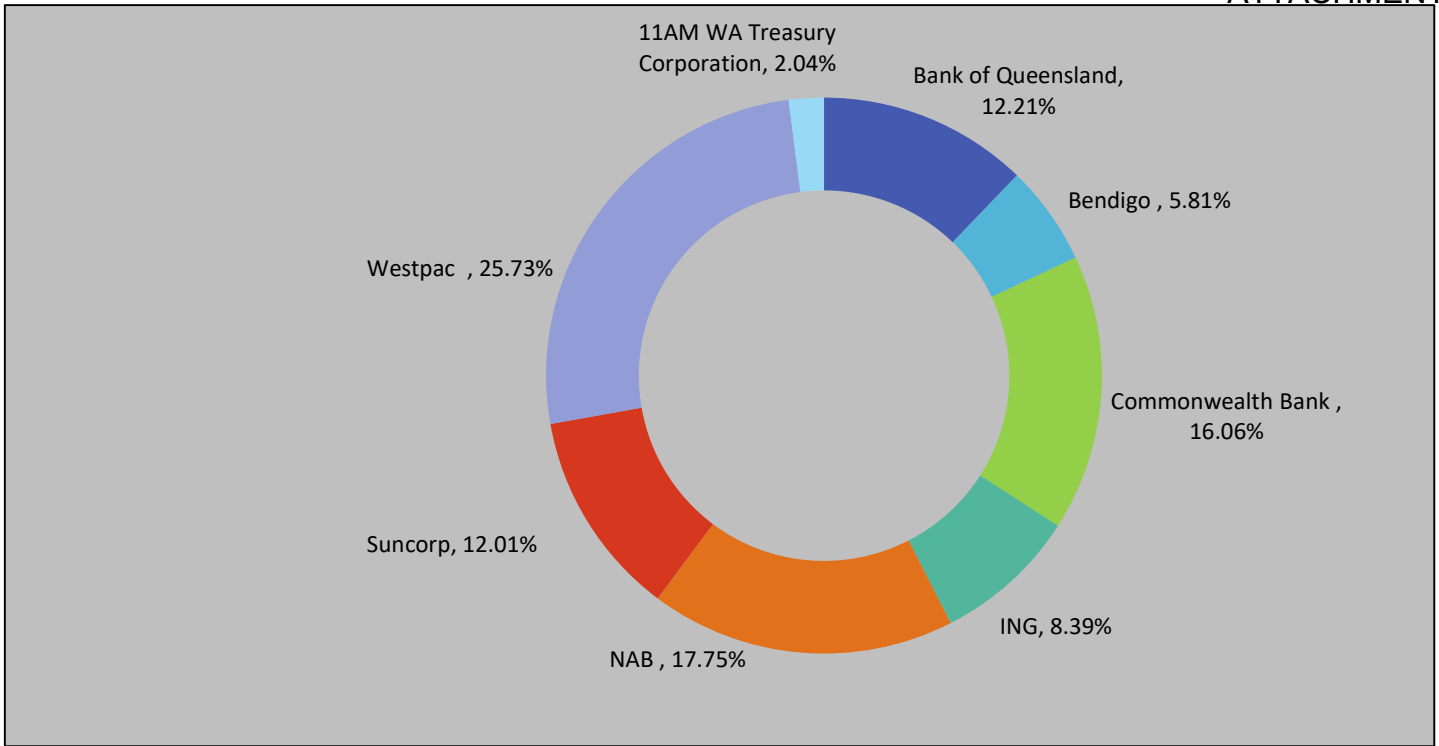


	Notes	Amended Budget	YTD Budget	YTD Actual	YTD Variance \$	YTD Variance %
OPERATING REVENUE						
Rates	1	(104,599,384)	(104,599,384)	(104,753,045)	153,661	0%
Specified Area Rates		(727,440)	(727,440)	(730,291)	2,851	0%
Grants and Subsidies	2	(1,606,171)	(835,586)	(940,683)	105,097	13%
Contributions Reimbursements and Donations	3	(1,563,862)	(636,695)	(709,035)	72,340	11%
Profit on Asset Disposals	4	(1,436,831)	(4,429)	(50,299)	45,870	100%
Fees and Charges	5	(42,474,492)	(31,654,709)	(31,360,715)	(293,994)	(1)%
Interest Earnings	6	(1,252,345)	(581,336)	(2,207,765)	1,626,429	100%
Other Revenue/Income	7	(362,000)	(90,500)	(730,719)	640,219	100%
Total Operating Revenue		(154,022,525)	(139,130,079)	(141,482,552)	2,352,473	2%
OPERATING EXPENSES						
Employee Costs	8	68,399,625	29,617,001	28,162,241	1,454,760	5%
Materials and Contracts	9	56,458,392	21,889,732	19,552,017	2,337,715	11%
Utilities (gas, electricity, water etc.)	10	5,949,026	2,440,125	2,330,282	109,843	5%
Depreciation & Amortisation of Non-Current Assets	11	32,132,620	13,383,241	12,561,636	821,605	6%
Loss on Asset Disposals	12	94,759	47,148	29,081	18,068	38%
Interest Expenses	13	327,150	131,219	104,636	26,584	20%
Insurance Expenses	14	1,666,704	1,653,043	1,585,285	67,758	4%
Total Operating Expenses		165,028,276	69,161,510	64,325,177	4,836,333	7%
(SURPLUS)/DEFICIT FROM OPERATIONS		11,005,751	(69,968,569)	(77,157,375)	7,188,806	10%
OPERATING NON-CASH ADJUSTMENTS						
Depreciation & Amortisation of Non Current Assets		(32,132,620)	(13,383,241)	(12,561,636)	(821,605)	(6)%
Loss on Asset Disposal		(94,759)	(47,148)	(29,081)	(18,068)	(38)%
Profit on Asset Disposals		1,436,831	4,429	50,299	(45,870)	100%
Movement in Non-current Items	15	(100,000)	(50,000)	(3,724)	(46,276)	(93)%
OPERATING CASH (SURPLUS)/DEFICIT		(19,884,797)	(83,444,528)	(89,701,517)	6,256,987	7%
NON-OPERATING REVENUE						
Capital Grants and Subsidies	16	(12,046,776)	(3,613,292)	(7,295,062)	3,681,770	100%
Capital Contributions	17	(1,985,066)	(30,444)	(9,600)	(20,844)	(68)%
Equity Distribution - TPRC		(1,333,333)	-	-	-	0%
Other Non-Operating (GST Reimb TPRC Land Sales)	18	-	-	(188,477)	188,477	0%
Total Non-Operating Revenue		(15,365,175)	(3,643,736)	(7,493,139)	3,849,403	100%
CAPITAL EXPENDITURE						
Capital Projects	19	2,327,883	723,845	534,363	189,482	26%
Capital Works	20	57,851,227	13,293,086	14,156,979	(863,893)	(6)%
Vehicle and Plant Replacements	21	3,305,165	783,165	605,026	178,139	23%
Total Capital Expenditure		63,484,275	14,800,096	15,296,368	(496,272)	(3)%
CAPITAL (SURPLUS)/DEFICIT		48,119,100	11,156,360	7,803,229	3,353,131	100%
(SURPLUS)/DEFICIT FROM OPERATIONS AND CAPITAL		28,234,303	(72,288,168)	(81,898,288)	9,610,118	13%
FUNDING						
Proceeds from Disposal	22	(1,916,500)	(78,000)	(216,955)	138,955	100%
Loans - Repayment of Principal		909,513	451,528	451,528	-	0%
Payments of Principal Portion of Lease Liability		388,066	-	-	-	0%
Transfer from Trust		(115,172)	-	-	-	0%
Transfer from Reserve		(43,972,701)	-	-	-	0%
Transfer to Reserve		16,587,121	-	-	-	0%
Opening Funds	23	(53,549)	(53,549)	-	(53,549)	(100)%
CLOSING FUNDS	24	61,079	(71,968,189)	(81,663,715)	9,695,524	13%

INVESTMENT SUMMARY

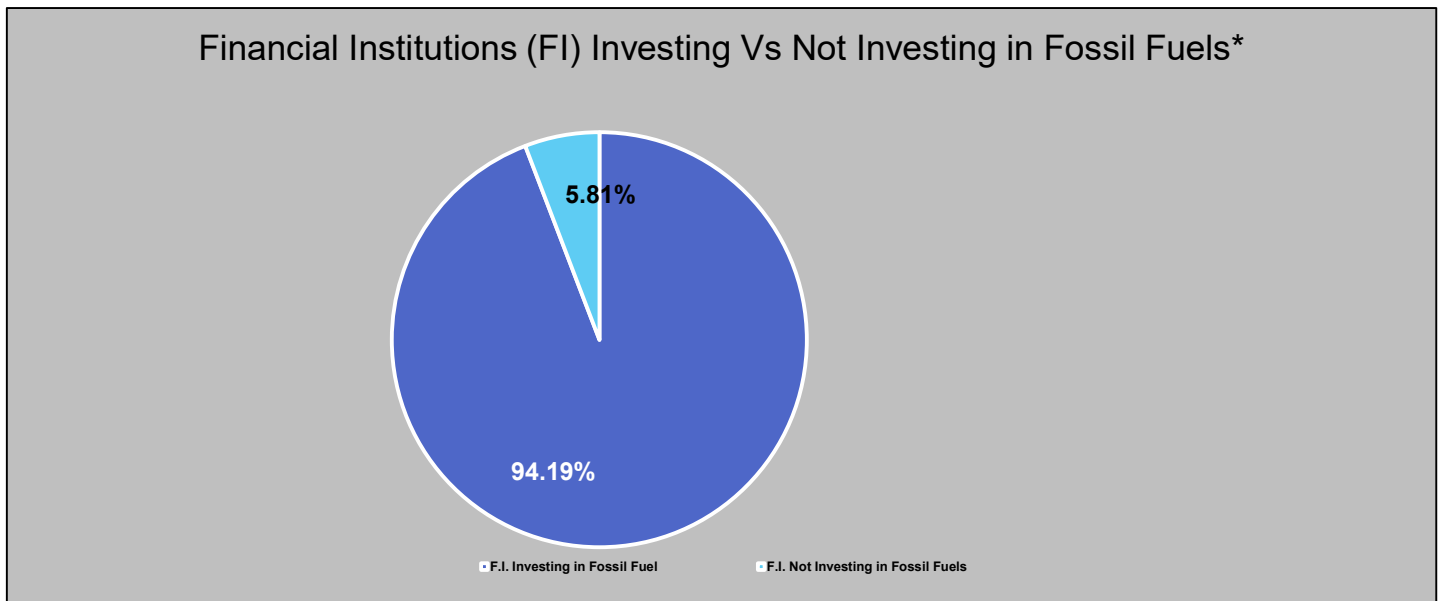
November-22



Municipal Funds	\$99,874,945	YTD Return	2.63%
Reserve Funds	\$101,635,638	Benchmark	3.35%
	<u>\$201,510,583</u>	RBA Rate	2.85%

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



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

NOTES TO AND FORMING PART OF THE FINANCIAL ACTIVITY STATEMENT FOR THE PERIOD ENDED 30 NOVEMBER 2022 (Subject to end of year finalisation)

1. Rates \$153,661

This favourable variance mainly arose from Interim Rates \$152,302.

2. Grants and Subsidies \$105,097

This favourable variance arose from additional grant funds in relation to General Purpose Grant \$194,932 and Federal Road (FLRG) Grant \$62,608, this was partially offset by Other Operating State Grants and Subsidies (\$174,189).

3. Contributions Reimbursements and Donations \$72,340

This favourable variance mainly occurred due to Insurance \$100,810 and Other Miscellaneous Reimbursements \$96,598 due to a Telstra outage \$42,292 and Parks invoices for breaches of local laws and accidents with damage to the City's Infrastructure \$35,590, partially offset by Legal Fees Recoverable (\$99,787).

4. Profit on Asset Disposals \$45,870

This favourable variance arose due to profit on disposal of fleet and plant \$45,870.

5. Fees and Charges (\$293,994)

	YTD Budget	YTD Actual	Variance
a) Sports and Recreation Fees	\$3,648,368	\$4,023,966	\$375,598
b) Refuse Charges	\$22,344,499	\$22,075,709	(\$268,790)
c) Parking Fees	\$1,628,708	\$1,381,517	(\$247,191)
d) Other Fees and Charges	\$1,189,036	\$1,104,427	(\$84,609)
e) Fines and Penalties	\$223,879	\$143,946	(\$79,933)
Other Fees & Charges	\$2,620,219	\$2,631,150	\$10,931
	<u>\$31,654,709</u>	<u>\$31,360,715</u>	<u>(\$293,994)</u>

a) Favourable variance arose from Membership Fees \$285,407 and Park Hire \$67,355.

b) An unfavourable variance arose due to Waste Refuse Service Charges (\$274,606).

c) This unfavourable variance was due to Off Street Parking Fees (\$174,676) and On Street Parking Fees (\$90,248).

d) This unfavourable variance mainly occurred due to Fines Enforcement Registry Charges (\$47,671).

e) This unfavourable variance arose mainly due to Parking Infringements (\$63,370).

6. Interest Earnings \$1,626,429

This favourable variance arose mainly due to higher than estimated Interest from Other Financial Institutions \$1,609,454.

7. Other Revenue/Income \$640,219

This favourable variance arose due to Net Revenue from TPRC Catalina Estate Sales \$627,144.

8. Employee Costs \$1,454,760

	YTD Budget	YTD Actual	Variance
a) Salaries and Wages	\$27,800,873	\$26,438,854	\$1,362,019
Other Employment Costs	\$1,816,128	\$1,723,387	\$92,741
	<u>\$29,617,001</u>	<u>\$28,162,241</u>	<u>\$1,454,760</u>

a) Favourable timing variances for Salaries and Wages arose from vacancies in various areas.

9. Materials and Contracts \$2,337,715

	YTD Budget	YTD Actual	Variance
a) External Service Expenses	\$5,931,743	\$5,019,752	\$911,991
b) Waste Management Services	\$7,351,926	\$6,764,704	\$587,222
c) Professional Fees & Costs	\$1,190,985	\$772,954	\$418,031
d) Contributions & Donations	\$900,337	\$598,830	\$301,507
e) Public Relations, Advertising and Promotions	\$440,061	\$210,937	\$229,124
f) Administration	\$559,422	\$375,142	\$184,280
g) Telephones and Communication	\$333,433	\$225,018	\$108,415
h) Accommodation & Property	\$570,691	\$495,284	\$75,407
i) Computing	\$1,316,413	\$1,667,303	(\$350,890)
j) Other Materials	\$1,013,500	\$1,129,973	(\$116,473)
k) Travel, Vehicles & Plant	\$752,803	\$830,924	(\$78,121)
Other Materials & Contracts	\$1,528,418	\$1,461,196	\$67,222
	<u>\$21,889,732</u>	<u>\$19,552,017</u>	<u>\$2,337,715</u>

a) Favourable variances arose from External Contractors and Services \$1,072,662, including Core System Replacement Project \$362,222, Parks \$299,231, Natural Areas \$115,005, Director Infrastructure Services \$101,531 for Asset Assessments, Waste Management Services \$66,647, City Projects \$61,733 and Cultural Services \$51,376, partially offset by an unfavourable variance on Roads (\$74,594). In addition an unfavourable variance occurred on Programme Activities (\$242,521) in relation to Joondalup Festival (\$135,129) and Valentine's Day Concert (\$39,306). The balance is spread across a number of areas.

b) A favourable variance arose from Recycling and Govt Levy Processing \$560,781 and General Waste Tipping Fees \$270,756, partially offset by Collection of Bulk Hard

Waste (\$113,006) and General Waste Collection (\$65,232). The balances of variances are spread across a number of areas.

- c) A favourable variance arose mainly due to Consultancy \$205,242, Legal Expenses Recoverable \$131,010 and Lodgement Fees \$64,354, partially offset by Legal Expenses (\$76,435). The balances of variances are spread across a number of areas.
- d) A favourable variance arose from Grants & Contributions Made \$141,798 and Community Funding Program \$93,369. The balances of variances are spread across a number of areas.
- e) Favourable variance arose due to Advertising General \$82,724 and Promotions \$51,163. The balances of variances are spread across a number of areas.
- f) Favourable variance arose mainly on Photography and Video Production \$64,680. The balances of variances are spread across a number of areas.
- g) This favourable variance mainly occurred due to Mobile Phones, Pagers and Radios \$52,655. The balances of variances are spread across a number of areas.
- h) This favourable variance arose from Council Rates (CoJ Properties) \$74,788. The balances of variances are spread across a number of areas.
- i) This unfavourable variance arose from Computer Software Subscriptions (\$310,020), Computer Software Maintenance (\$111,218), partially offset by Data Communication Links \$58,825. The balances of variances are spread across a number of areas.
- j) This unfavourable variance mainly occurred due to External Material Purchases – Contract (\$89,917) and Materials – Building Minor Works (\$50,468). The balances of variances are spread across a number of areas.
- k) An unfavourable variance arose from Fuel (\$65,437). The balances of variances are spread across a number of areas.

10. Utilities

\$109,843

Favourable variance arose mainly due to electricity invoices on Parks \$77,962.

11. Depreciation & Amortisation of Non-Current Assets

\$821,605

Favourable variance due to Depreciation for Drainage Infrastructure \$643,807, Impairment of Assets \$209,085 and Depreciation for Road Infrastructure \$101,798. This was partially offset by an unfavourable variance on Depreciation for Mobile and Other Plant (\$99,648) and Depreciation for Computer & Communications Hardware (\$61,031). The balances of variances are spread across a number of areas.

12. Loss on Asset Disposals

\$18,068

Favourable variance arose due to Loss on Asset Disposal for Fleet and Plant \$18,068.

13. Interest Expenses **\$26,584**

Favourable variance arose due to Interest of Lease Liability \$26,584.

14. Insurance Expenses **\$67,758**

Favourable variance arose mainly due to Public Liability Insurance \$53,106.

15. Movement in Non-current items **(\$46,276)**

This timing variance arose in respect to Non-current Long Service Leave Liability.

16. Capital Grants and Subsidies **\$3,681,770**

	YTD Budget	YTD Actual	Variance
a) Commonwealth Grants - Capital Other	\$170,000	\$1,453,579	\$1,283,579
b) State Government Grants - Capital - Other	\$413,580	\$1,975,151	\$1,561,571
c) Commonwealth Grants & Subsidies- Capital – Black Spot	\$26,000	\$707,355	\$681,355
d) Other Grants and Subsidies – Capital - Other	\$12,766	\$269,447	\$256,681
e) Commonwealth Grants – Capital Roads to Recovery	\$395,000	\$252,109	(\$142,891)
Other Grants and Subsidies	\$2,595,946	\$2,637,421	\$41,475
	<u>\$3,613,292</u>	<u>\$7,295,062</u>	<u>\$3,681,770</u>

- a) This favourable variance arose in the recognition of unspent grant income from the previous financial year in relation to 18 LRCI projects \$1,309,594. In addition the final instalment of LRCI Phase 1 income was received \$143,985. This is offset by delays to Q1 anticipated payment (\$170,000).
- b) Favourable variance relates to BCW2650 Sorrento Football Club \$700,000 and recognition of unspent grant income on the unbudgeted State Urban Bike Trail Grant \$300,000. A council decision will be required to include expenditure within the budget. A favourable variance also relates to recognition of unspent grant income on SBS2092 Marmion Ave and Forrest Rd Intersection \$274,105 and SBS2093 Ocean Reef Rd and Gwendoline Dr \$253,175.
- c) This favourable variance arose in the recognition of unspent grant income from the previous financial year in relation to SBS2091 Marmion Ave and Coral St Intersection \$167,951. A favourable variance also occurred due to advance funding received for SBS2096 Hepburn Ave/Karuah Way Intersection Upgrade \$297,800 and SBS2095 Hepburn Ave/Amalfi Dr Roundabout Improvements \$192,520.
- d) This favourable variance arose in relation to funding received which was originally expected in 2021/22 for MPP2058 Chichester Park Clubrooms Redevelopment \$200,000 and STL2092 MacDonald Park Floodlighting Upgrade \$56,681.

- e) This unfavourable variance occurred due to RPR3247 Country Club Boulevard (\$245,197) and RPR3248 Fairway Cir – Country Club to Royal Melbourne (W) (\$52,599) expected in December 2022. This was partially offset by 4th quarterly payment received from 2021/22 for RPR3181 Seacrest Drive – Reef Ct to Parnell Ave \$57,922.

17. Capital Contributions

(\$20,844)

This unfavourable variance arose from outstanding contributions for BCW2651 Kingsley Football Club Awning (\$30,444), partially offset by resident contributions for STL2005 Arterial & Urban Street Lighting \$9,600.

18. Other Non-Operating Revenue

\$188,477

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

19. Capital Projects

\$189,482

This favourable variance mainly arose due to Cafes/Restaurants/Kiosks \$65,556, partially offset by Filter refurbishment 25m and spa (\$55,510). The balances of variances are spread across a number of projects.

20. Capital Works

(\$863,893)

	No. Budgeted Projects	YTD Budget	YTD Actual	Variance	Key Variance
a) Streetscape Enhancement Program (SSE)	5	\$307,887	\$1,038,525	(\$730,638)	SSE2056 – (\$376,222) SSE2059 – (\$317,458)
b) Major Projects Program (MPP)	8	\$3,783,230	\$4,221,756	(\$438,526)	MPP2050 – (\$856,244)
c) Parking Facilities Program (PFP)	7	\$26,000	\$253,990	(\$227,990)	PFP2098 – (\$194,689)
d) Foreshore and Natural Areas Management Program (FNM)	6	-	\$126,985	(\$126,985)	FNM2051 – (\$117,213)
e) Street Lighting Program (STL)	12	\$698,943	\$806,794	(\$107,851)	STL2111 – (\$44,098)
f) Road Preservation/Resurfacing Program (RPR)	84	\$2,579,856	\$2,686,562	(\$106,706)	RPR3256 – (\$100,540)
g) Parks Development Program (PDP)	18	\$1,085,500	\$1,178,211	(\$92,711)	PDP2354 – (\$355,514)
h) Major Road Construction Program (RDC)	11	\$610,000	\$668,407	(\$58,407)	RDC2025 – (\$89,972)
i) Parks Equipment Program (PEP)	40	\$1,087,179	\$664,749	\$422,430	PEP2707 – \$322,031
j) Path Replacement Program (FPR)	9	\$357,000	\$40,819	\$316,181	FPR2268 - \$184,698
k) New Paths (FPN)	13	\$267,284	\$85,162	\$182,122	FPN2275 - \$81,561
l) Major Building Capital Works Program (BCW)	20	\$1,589,481	\$1,501,715	\$87,766	BCW2666 - \$274,280
m) Blackspot Projects (SBS)	8	\$299,533	\$247,758	\$51,775	SBS2037 - \$18,036
Other Programs	22	\$601,193	\$635,546	(\$34,353)	
	263	\$13,293,086	\$14,156,979	(\$863,893)	

- a) Unfavourable variance occurred due to SSE2056 City Centre Streetscape Renewal Program (\$376,222), SSE2059 Joondalup Drive Streetscape Upgrades (\$317,458) and SSE2057 Leafy City Program (\$56,138) ahead of schedule.
- b) Unfavourable variance relates to MPP2050 Craigie Leisure Centre Upgrades (\$856,244) and MPP2058 Chichester Park Clubrooms Redevelopment (\$555,281). This was partially offset by a favourable variance on MPP2006 Cafes/Kiosks/Restaurants – Pinnaroo Point \$613,000, MPP2077 Burns Beach Café/Kiosks/Restaurant \$180,000, MPP2080 Burns Beach Coastal Node Redevelopment \$120,000 and MPP2076 Sorrento Surf Life Saving Club Redevelopment \$60,000.
- c) An unfavourable variance arose mainly due to early completion of PFP2098 Warrigal Park Parking Improvements (\$194,689).
- d) Unfavourable variance occurred mainly due to FNM2051 Coastal & Foreshore Fencing Renewal Program (\$117,213) ahead of schedule.
- e) Unfavourable variance relates mainly due to STL2111 Candlewood Park Pathway Lighting (\$44,098).
- f) Unfavourable variance is due to projected completed earlier than planned RPR3256 Bernedale Way – Pynter Dr to Langholm PI (\$100,540), RPR3262 Stillwater Way (\$74,126), RPR3261 St Andrews Way (\$65,364), RPR3260 Mapleton Place (\$63,770), RPR3300 Gibson Ave – Barclay Ave to Warburton Ave (\$59,871), RPR3258 Jope Place (\$55,362) and RPR3304 Whitfords (EB) – Barridale to Moolanda (\$55,407), partially offset by a favourable variance on RPR3177 Road Preservation & Resurfacing Program \$54,078.
- g) Variance relates to PPD2354 Killen/Sycamore Park Amenity Upgrades (\$355,514), partially offset by PDP2222 Ocean Reef Park \$171,417 and PDP2355 Padbury N/E Cluster Park Revitalisation \$155,578.
- h) An unfavourable variance occurred mainly due to RDC2025 Whitfords Ave/Gibson Ave Intersection Upgrade (\$89,972), partially offset by RDC2030 Moolanda Boulevard Pedestrian Footbridge \$71,275.
- i) Variance mainly relates to delays on PEP2707 Whitfords Nodes Park Health & Wellbeing Hub \$322,031 and PEP2804 Melene Park Playspace Renewal \$66,924.
- j) Favourable variance occurred due to delays on FPR2268 Marmion Ave – Edinburgh to Burns Beach \$184,698, FPR2018 Pedestrian Accessibility Improvements \$73,305 and FPR2001 Pathway Replacement Program \$68,516.
- k) Favourable variance relates mainly due to FPN2275 Sycamore Drive – Tecoma St to Scadden St \$81,561 with outstanding commitments.
- l) A favourable variance mainly occurred due to BCW2666 Craigie Leisure Centre Geothermal Bore \$274,280, partially offset by BCW2625 Ocean Reef Park Toilets and Changerooms (\$119,868) and BCW2672 Iluka Sports Complex Restoration (\$73,093).
- m) Favourable variance mainly relates to SBS2037 Marmion/McWhae Intersection Upgrade \$18,036.

21. Vehicle and Plant Replacements
\$178,139

A favourable timing variance arose in relation to capital acquisition of two Isuzu trucks \$240,507, partially offset by an unfavourable variance on an Isuzu truck (\$176,800).

22. Proceeds from Disposal
\$138,955

A favourable variance arose due to timing of proceeds received from the disposal of fleet \$138,955.

23. Opening Funds
(\$53,549)

The variation in the closing funds for the period ended 30 June 2022 is prior to end of year adjustments being processed. The final balance will be available after the Financial Statements for 2021-22 have been audited.

24. Closing Funds
\$9,695,524

	June 2022*	November 2022
Current Assets		
Cash and Investments		\$202,461,014
Rates Outstanding, Sundry Debtors and Other Receivables		\$29,454,746
Accrued Income		\$1,669,521
Prepayments		\$283,913
Inventories		\$156,224
Total Current Assets		\$234,025,418
Current Liabilities		
Trade Creditors		\$10,519,826
Sundry Payables		\$22,441,358
Accrued Expenses		\$2,203,396
Other Payables		-
Borrowings		\$457,985
Lease Liability		\$291,671
Provision for Annual Leave		\$4,753,057
Provision for Long Service Leave		\$6,715,355
Provision for Purchased Leave		\$192,656
Provision for Workers Compensation Insurance		\$4,126,737
Provision for Sick Leave		\$986,087
Other Provisions		\$9,415
Total Current Liabilities		\$52,697,543
Net Current Assets		\$181,327,875
Add back: Borrowings		\$457,985
Add back: Lease Liabilities		\$291,671

Add back: Contract Liabilities for developer contributions		\$1,221,867
Less: Cash Backed Reserves		\$101,635,683
Closing Funds – Surplus/(Deficit)		\$81,663,715

* Subject to finalisation of 2021-22 end of year