

Attachment 1

**CITY OF YARRA  
FINANCIAL REPORT**

FOR THE PERIOD ENDED 31 JANUARY 2004



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**Summary Forecast Financial Performance for the period ending 31 January 2004**

	<b>Actual YTD \$,000</b>	<b>Adopted Budget \$,000</b>	<b>Current Forecast \$,000</b>	<b>Budget Variance \$,000</b>
<b>REVENUES</b>				
<b>Revenue from ordinary activities</b>				
City Development	11,071	19,632	18,603	(1,029)
Corporate Services	29,082	50,286	50,222	(64)
Community Development	6,910	11,504	11,588	84
Asset Management	2,126	4,190	4,050	(140)
	<b>49,190</b>	<b>85,613</b>	<b>84,464</b>	<b>(1,150)</b>
<b>EXPENSES</b>				
<b>Expenses from ordinary activities</b>				
City Development	6,247	11,550	11,877	(327)
Corporate Services	10,268	15,640	15,597	44
Community Development	10,823	20,737	19,531	1,207
Asset Management	10,871	21,035	21,050	(14)
Depreciation & Amortisation	7,606	13,395	13,395	-
	<b>45,815</b>	<b>82,358</b>	<b>81,449</b>	<b>909</b>
	<b>3,375</b>	<b>3,256</b>	<b>3,016</b>	<b>(240)</b>
<b>Net Result before Transfers</b>				
Transfers to Reserves	(376)	(750)	(650)	100
Transfers from Reserves	-	1,000	1,000	-
<b>Net Result after Transfers</b>	<b>2,999</b>	<b>3,506</b>	<b>3,366</b>	<b>(140)</b>
<b>RATE DETERMINATION</b>				
<b>ADJUSTMENTS:</b>				
Depreciation	7,606	13,395	13,395	-
Borrowings	-	2,500	2,500	-
Written Down Value of Assets Sold	118	476	476	-
Capital Expenditure	(5,399)	(16,318)	(15,289)	1,029
Debt Repayment	(3,176)	(4,995)	(4,995)	-
Equity Investments in Associates	-	(167)	(167)	-
<b>Rate Determination Result</b>	<b>2,148</b>	<b>(1,603)</b>	<b>(712)</b>	<b>888</b>
Rate Surplus/(Deficit) B/Fwd	4,324	3,628	4,324	696
<b>Rate Surplus/(Deficit) C/Fwd</b>	<b>6,472</b>	<b>2,025</b>	<b>3,612</b>	<b>1,584</b>

**Statement of Financial Performance for the period ending 31 January 2004**

	<b>Actual YTD \$,000</b>	<b>Budget YTD \$,000</b>	<b>Variance YTD \$,000</b>	<b>Adopted Budget \$,000</b>	<b>Current Forecast \$,000</b>	<b>Budget Variance \$,000</b>
<b>REVENUES</b>						
<b>Revenue from ordinary activities</b>						
Rates	28,027	27,989	38	47,729	47,759	30
Victoria Grants Commission	695	691	4	1,382	1,389	6
Government Grants	2,862	3,074	(212)	5,376	5,247	(129)
Parking Revenue	8,917	9,556	(639)	16,318	15,262	(1,056)
User Charges, Fees and Other Fines	4,283	3,841	442	6,525	6,752	227
Leisure Centre Fees	2,834	2,727	107	4,813	4,578	(235)
Interest Received from Other Entities	275	254	22	397	419	22
Reimbursements & Contributions	1,175	1,153	22	2,406	2,389	(16)
Proceeds from Disposal of Assets	122	293	(170)	502	502	-
Inner Northern Group Training Pty Limited	-	-	-	167	167	-
	<b>49,191</b>	<b>49,577</b>	<b>(386)</b>	<b>85,614</b>	<b>84,464</b>	<b>(1,150)</b>
<b>EXPENSES</b>						
<b>Expenses from ordinary activities</b>						
Employee Costs	15,928	16,291	363	28,022	27,490	532
Contract Payments	8,158	8,406	249	13,845	14,161	(316)
Maintenance	2,025	2,229	204	4,469	4,662	(192)
Other Materials and Services	10,180	11,718	1,538	18,629	17,378	1,251
Bad and Doubtful Debts	967	967	-	1,704	2,069	(365)
Depreciation & Amortisation	7,606	7,606	-	13,395	13,395	-
Borrowing Costs	834	834	-	1,817	1,817	-
Written Down Value of Assets Sold	118	278	160	476	476	-
	<b>45,816</b>	<b>48,330</b>	<b>2,514</b>	<b>82,358</b>	<b>81,449</b>	<b>909</b>
<b>Net Result before Transfers</b>	<b>3,375</b>	<b>1,247</b>	<b>2,128</b>	<b>3,256</b>	<b>3,016</b>	<b>(240)</b>
Transfers to Reserves	(376)	(438)	61	(750)	(650)	100
Transfers from Reserves	-	-	-	1,000	1,000	-
<b>Net Result after Transfers</b>	<b>2,999</b>	<b>809</b>	<b>2,189</b>	<b>3,506</b>	<b>3,366</b>	<b>(140)</b>

**Statement of Financial Position**  
as at 31 January 2004

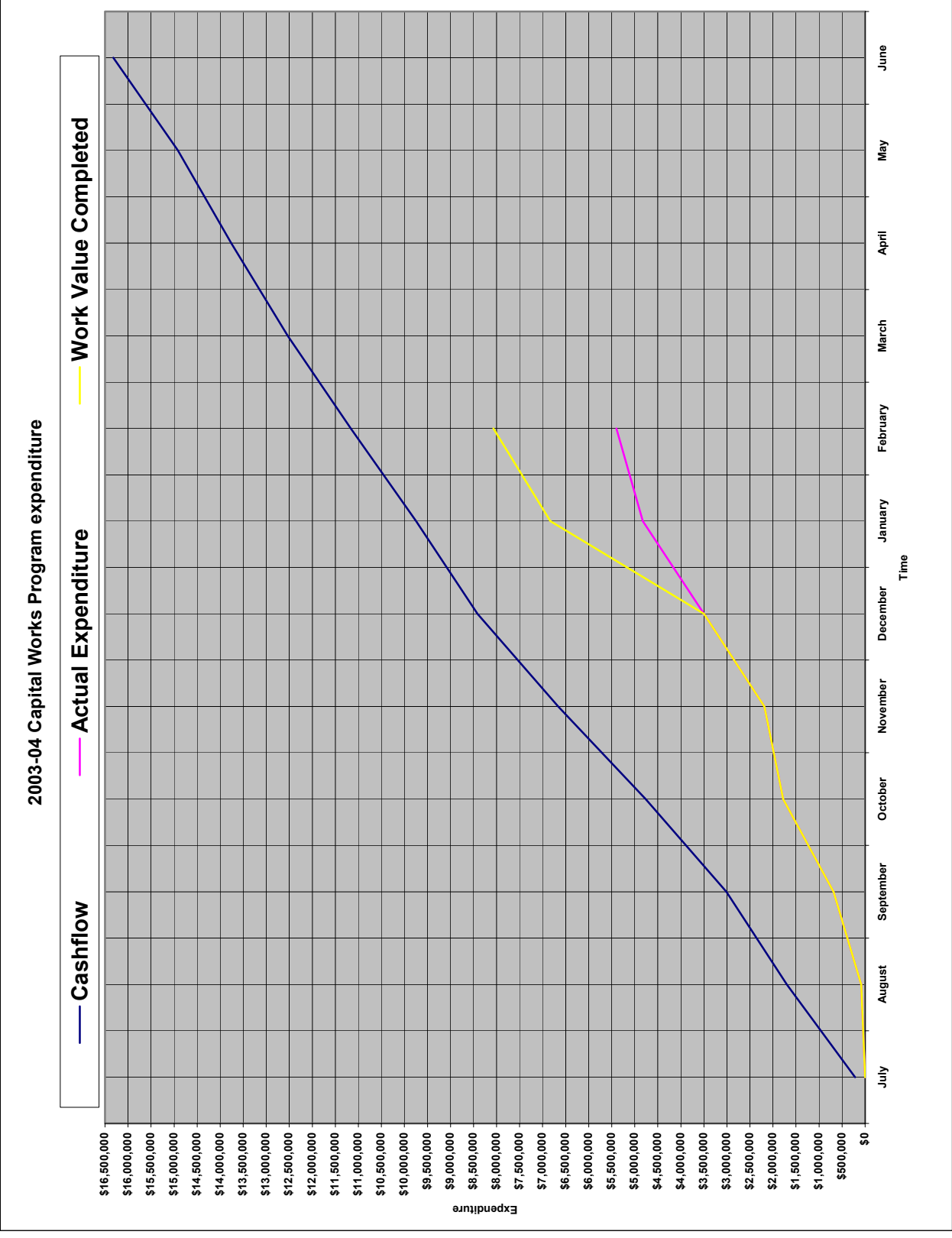
<b>ASSETS</b>	<b>31-Jan-04</b>	<b>30-Jun-03</b>
	<b>\$,000</b>	<b>\$,000</b>
<b>Current Assets</b>		
Cash Assets	7,020	9,528
Receivables - Rates	23,220	2,062
Receivables - Parking	6,234	6,357
Receivables - Other	1,910	2,182
Accrued Income	475	363
Prepayments	22	188
Inventories	35	35
<b>Total Current Assets</b>	<b>38,916</b>	<b>20,715</b>
<b>Non-Current Assets</b>		
Other Financial Assets	5	5
Receivables	20	20
Investments in Associates	3,107	3,106
Property, Infrastructure, Plant & Equipment	793,356	795,665
<b>Total Non-Current Assets</b>	<b>796,488</b>	<b>798,796</b>
<b>TOTAL ASSETS</b>	<b>835,404</b>	<b>819,510</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank Overdraft	-	786
Payables	518	2,182
Trust Funds	1,143	1,095
Income in Advance	277	443
Accrued Expenses	2,458	3,537
Accrued Interest	61	61
Provisions	2,378	2,467
Interest-Bearing Liabilities	2,681	4,995
Deferred Revenue	19,499	-
<b>Total Current Liabilities</b>	<b>29,016</b>	<b>15,567</b>
<b>Non-Current Liabilities</b>		
Provisions	2,154	2,199
Interest-Bearing Liabilities	17,776	18,660
<b>Total Non-Current Liabilities</b>	<b>19,929</b>	<b>20,859</b>
<b>TOTAL LIABILITIES</b>	<b>48,945</b>	<b>36,426</b>
<b>NET ASSETS</b>	<b>786,459</b>	<b>783,084</b>
<b>Represented by:</b>		
Reserves	3,232	3,232
Asset Revaluation Reserve	263,878	263,878
Retained Earnings	515,974	515,974
Profit for Period	3,375	-
<b>EQUITY</b>	<b>786,459</b>	<b>783,084</b>

**Statement of Cash Flows**  
for the period ending 31 January 2004

	<b>31-Jan-04</b>	<b>31-Jan-03</b>
	<b>2003/2004</b>	<b>2002/2003</b>
	<b>Inflows/ (Outflows)</b>	<b>Inflows/ (Outflows)</b>
	<b>\$,000</b>	<b>\$,000</b>
<b>Cash Flows from Operating Activities (Inclusive of GST)</b>		
Receipts from Ratepayers (inclusive of GST)	26,377	24,564
Parking Revenue (inclusive of GST)	8,873	8,307
Interest Received from Other Entities	285	142
Government Grants Received (inclusive of GST)	3,027	3,231
Victoria Grants Commission	695	687
User Charges Fees and Other Fines Received (inclusive of GST)	7,545	7,508
Reimbursements & Contributions Received (inclusive of GST)	1,035	809
Payments to Suppliers (inclusive of GST)	(26,424)	(19,980)
Payments to Employees (Including Redundancies)	(16,062)	(16,932)
Borrowing Costs	(834)	(934)
GST Refund from ATO	1,428	
Net Cash Provided by Operating Activities	5,946	7,403
<b>Cash Flows Investing Activities</b>		
Payments for Property, Infrastructure, Plant and Equipment	(5,399)	(4,825)
Proceeds for Property, Infrastructure, Plant and Equipment	122	281
Net Cash (Used in) Investing Activities	(5,277)	(4,544)
<b>Cash Flows from Financing Activities</b>		
Proceeds from Borrowings		2,000
Repayment of Works Capital Borrowings	(1,017)	(944)
Repayment of Superannuation Debt Borrowings	(603)	(564)
Repayment of Refinancing Borrowings	(129)	-
Repayment of Superannuation Unfunded Liability	(1,428)	
Repayment of Finance Leases	-	(9)
Net Cash (Used In) Financing Activities	(3,176)	484
Change in Cash Held	(2,508)	3,344
Cash at Beginning of the Financial Period	9,528	3,063
<b>Cash at the End of the Financial Period</b>	<b>7,020</b>	<b>6,408</b>

**Capital Works Program as at 31 January 2004**

Project	Actual YTD \$,000	Budget YTD \$,000	Adopted Budget \$,000	Current Forecast \$,000	Budget Variance \$,000
<b><u>ECONOMIC DEVELOPMENT</u></b>					
<i>Build, Support, Innovate</i>					
Strip Development & Gateways	34	256	780	100	680
Public Amenity & Community Safety	20	86	175	222	(47)
	<b>53</b>	<b>342</b>	<b>955</b>	<b>322</b>	<b>633</b>
<b><u>COMMUNITY DEVELOPMENT</u></b>					
<i>Improve, Value, Celebrate</i>					
Disability Action Plan	2	54	80	80	-
Libraries	28	133	750	430	320
Sports & Community Facilities/Pavilions	288	346	556	503	52
	<b>318</b>	<b>533</b>	<b>1,386</b>	<b>1,013</b>	<b>372</b>
<b><u>URBAN &amp; NATURAL ENVIRONMENT</u></b>					
<i>Create, Sustain, Enhance</i>					
Streetscape Redevelopment	305	454	585	770	(185)
Street Improvements	-	40	60	20	40
Habitat & Community Plantings	42	115	245	275	(30)
Irrigation	5	16	20	10	10
	<b>353</b>	<b>625</b>	<b>910</b>	<b>1,075</b>	<b>(165)</b>
<b>Open Space Improvements &amp; Upgrades</b>					
Parks Improvements	347	609	774	689	85
Infrastructure Upgrades	239	414	818	593	225
Strategic Planning	23	55	80	85	(5)
Sports & Grounds	60	40	80	200	(120)
	<b>670</b>	<b>1,119</b>	<b>1,752</b>	<b>1,567</b>	<b>185</b>
<b>Transport Planning</b>					
Road Safety Strategy	8	1	230	230	-
Bicycle Path Network	126	130	180	172	8
Traffic Management Infrastructure	78	189	409	248	160
	<b>211</b>	<b>320</b>	<b>819</b>	<b>650</b>	<b>169</b>
<b><u>SERVICE</u></b>					
<i>Effective, Supportive, Better</i>					
Leisure Centres	228	672	1,325	1,407	(82)
Road & Footpath Infrastructure	2,062	2,950	3,478	3,718	(240)
Drainage Infrastructure	181	174	567	550	17
Pedestrian Footbridges	58	5	245	245	(0)
Building Assets	401	642	925	975	(50)
Plant & Equipment	146	511	869	869	-
Arts & Culture	2	5	10	14	(4)
Fitzroy Town Hall	19	580	744	750	(7)
Furniture & Equipment	25	34	60	60	-
Improved Service Delivery Points	270	373	1,260	1,064	196
	<b>3,391</b>	<b>5,946</b>	<b>9,482</b>	<b>9,652</b>	<b>(169)</b>
<b><u>COMMUNICATION &amp; TRANSPARENCY</u></b>					
<i>Open, Accountable, Honest</i>					
Public Signage	-	-	10	-	10
Information Systems	404	847	1,005	1,011	(6)
	<b>404</b>	<b>847</b>	<b>1,015</b>	<b>1,011</b>	<b>4</b>
<b>TOTAL CAPITAL WORKS EXPENDITURE</b>	<b>5,399</b>	<b>9,733</b>	<b>16,318</b>	<b>15,289</b>	<b>1,029</b>



### Capital Works Program Year to Date Summary

Year to date predicted expenditure is \$9,746,685 (59.7% of Adopted Budget or 62.5% of January forecast)

Actual Expenditure is \$5,400,092 (33.1% of Adopted Budget or 34.7% of January forecast)

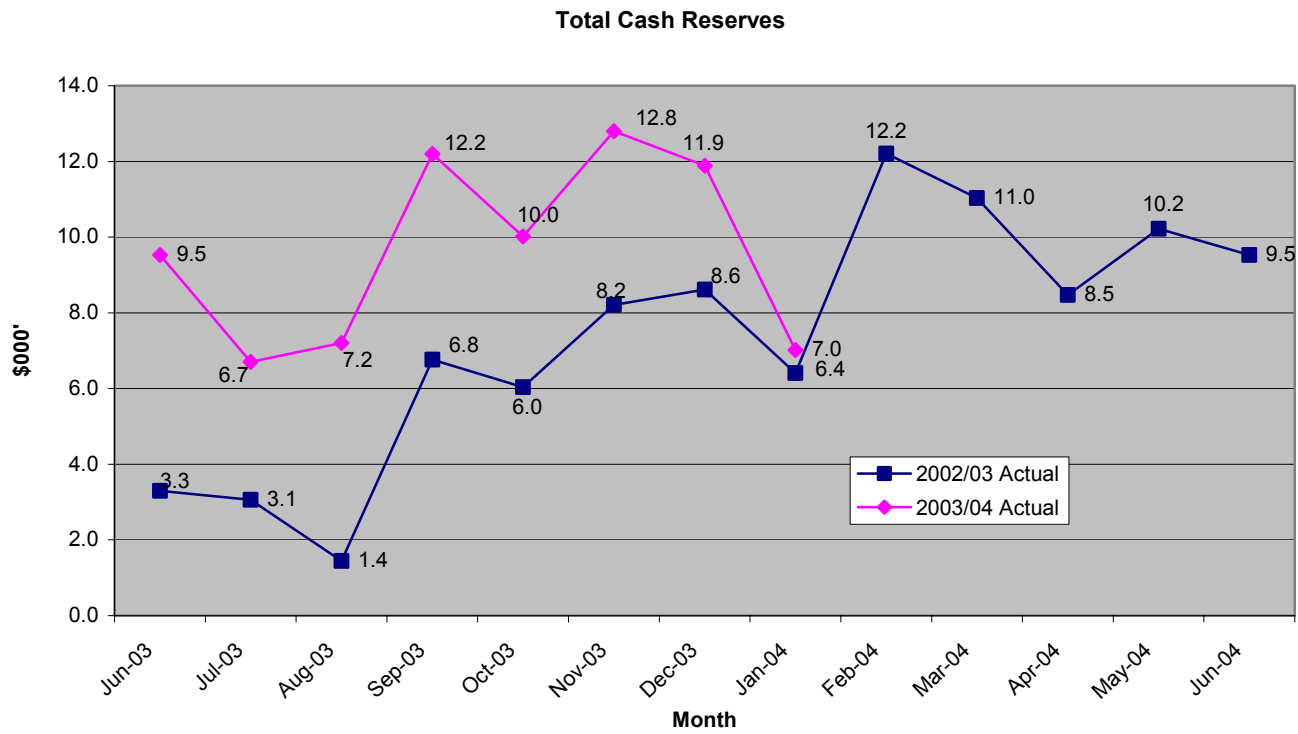
Value of work completed is \$8,068,716 (49.5% of Adopted Budget or 51.8% of January forecast).

The major reasons for the variances between work completed and Year to date are associated with the need to finalise the scope of works, obtaining the relevant approvals and the need for additional consultation to finalise projects.

The difference between Actual expenditure and Predicted year to date expenditure can be explained as follows:

Victoria Street toilet:	\$70,000 - contract awarded awaiting contractor commencement.
Richmond Library	\$100,000 - work commenced slightly behind schedule will continue in 2004/05 as funding has been deferred until then
Fitzroy Pool	\$500,000 - Work behind schedule - contract awarded and will continue into 2004/05 and be completed by September 2004
Roadworks	\$900,000 - behind program but contracts have been awarded for works to be undertaken in March and April.
Building works	\$200,000 - various projects slightly behind schedule.
Fitzroy Town Hall	\$600,000 - behind schedule but works underway at present will continue into 2004/05
Childrens' Services Projects	\$100,000 - behind schedule but project management has now been taken over by Assets
IT Projects	\$450,000 - behind schedule but most of the work has been undertaken or in progress.
Plant and Equipment	\$370,000 - Delay due to finalisation of the vehicle policy

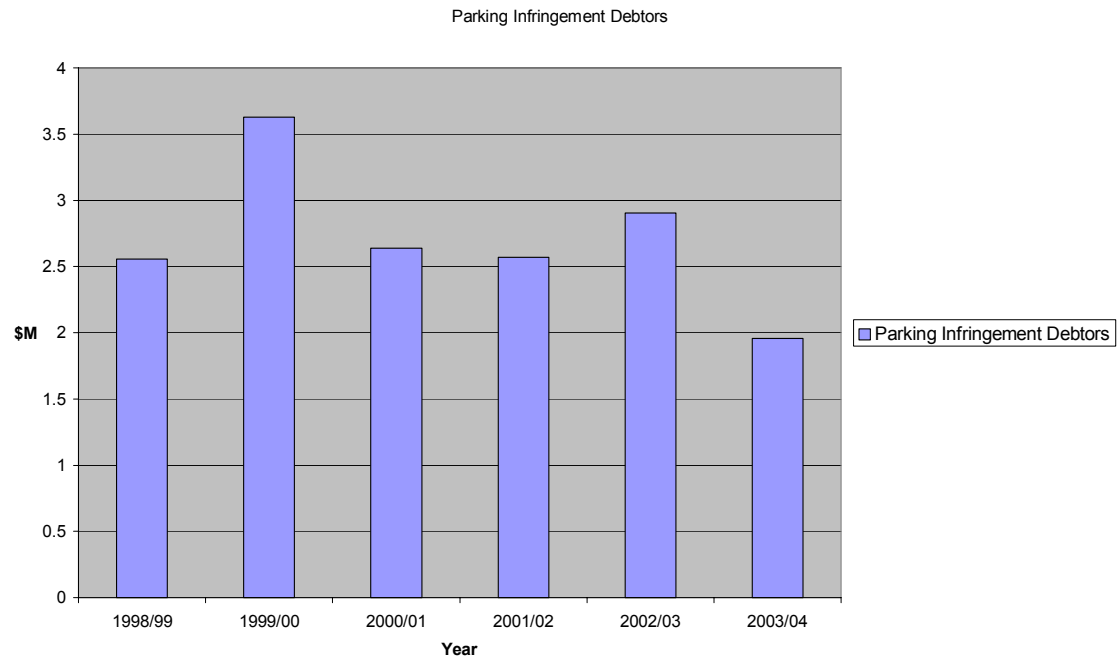
## Investments and Reserves



	31-Jan-04 \$,000	31-Dec-03 \$,000	31-Jan-03 \$,000
Cash at Bank	315	1,282	904
Cash on Hand	6	5	4
Money Market Call Account/Bank Bills	6,700	10,600	5,500
<b>Total Cash Assets</b>	<b>7,020</b>	<b>11,887</b>	<b>6,408</b>
Income in Advance	277	277	190
Long Service Leave	2,604	2,521	2,084
Reserves	3,232	3,232	3,178
<b>Total Restricted Assets/Reserves</b>	<b>6,113</b>	<b>6,030</b>	<b>5,452</b>

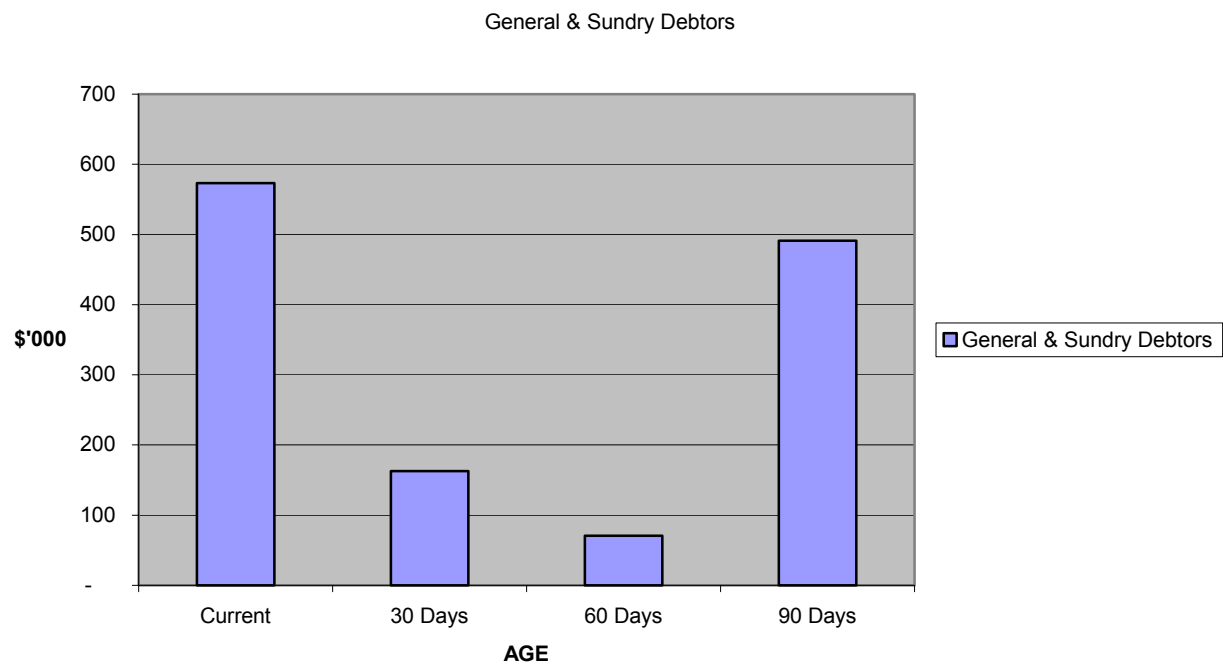
### Rate Debtors

	31-Jan-04 \$,000	31-Dec-03 \$,000	31-Jan-03 \$,000
Rates & Charges – Current Year	21,956	22,439	19,305
Rates & Charges – Arrears	1,264	1,310	1,171
<b>Total Rates &amp; Charges</b>	<b>23,220</b>	<b>23,749</b>	<b>20,475</b>
% Outstanding			
Rates & Charges – Current Year	46%	52%	44%
Rates & Charges - Arrears	61%	66%	59%



**Other Debtors**

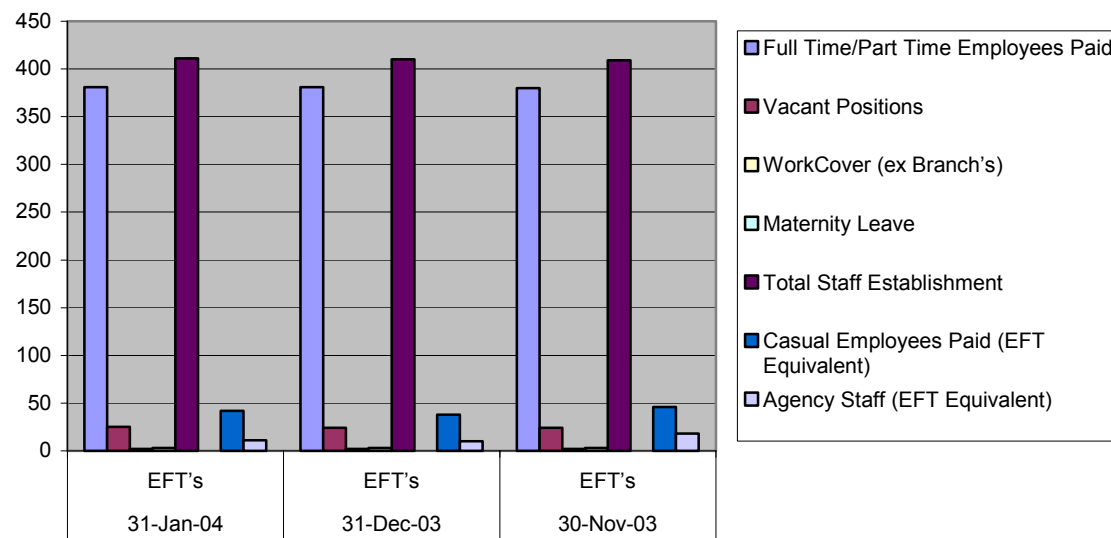
	31-Jan-04 \$,000	31-Dec-03 \$,000	31-Jan-03 \$,000
Parking Infringement Debtors	16,250	16,012	16,887
Less: Provision for Doubtful Debts	(10,016)	(9,756)	(10,188)
<b>Net Parking Debtors</b>	<b>6,234</b>	<b>6,256</b>	<b>6,699</b>



	31-Jan-04 \$,000	31-Dec-03 \$,000	31-Jan-03 \$,000
General & Sundry Debtors	1,336	1,412	1,609
GST Receivable	574	722	348
<b>Total Other Debtors</b>	<b>1,910</b>	<b>2,134</b>	<b>1,956</b>

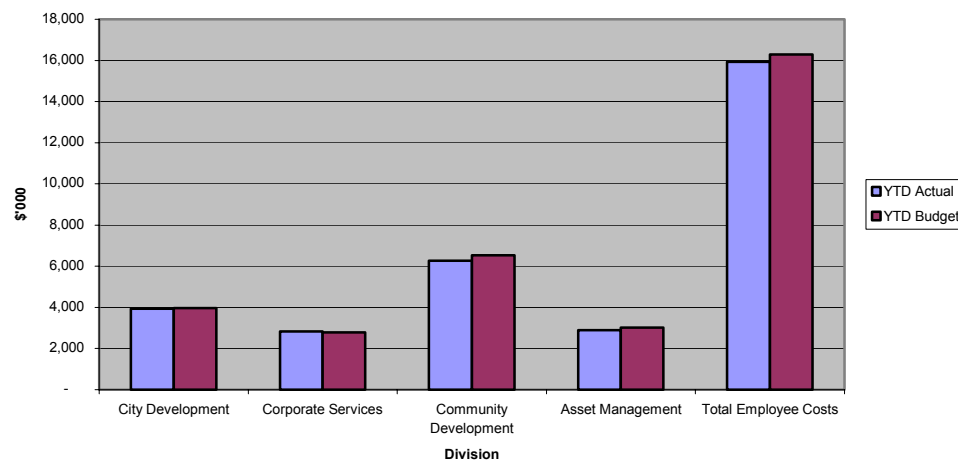
## Human Resource Statistics & Employee Costs

### Human Resource Statistics



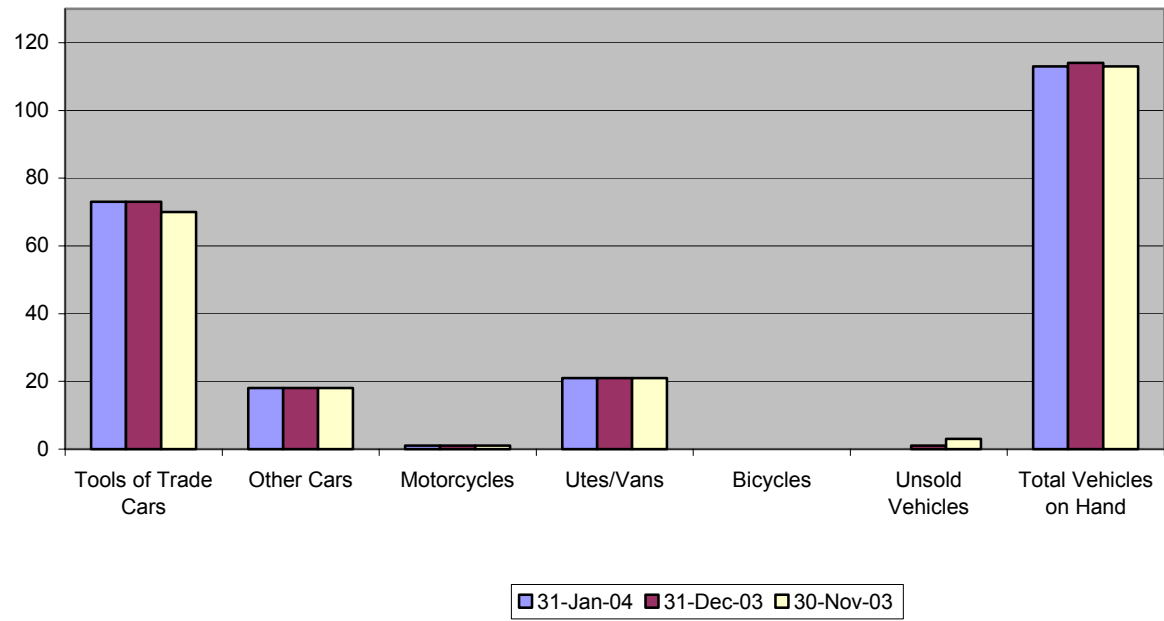
Staffing Numbers	31-Jan-04 EFT's	31-Dec-03 EFT's	30-Nov-03 EFT's
Full Time/Part Time Employees Paid	381	381	380
Vacant Positions	24	24	24
WorkCover (ex Branch's)	2	2	2
Maternity Leave	3	3	3
<b>Total Staff Establishment</b>	<b>410</b>	<b>410</b>	<b>409</b>
Casual Employees Paid (EFT Equivalent)	42	38	46
Agency Staff (EFT Equivalent)	11	10	18
	<b>463</b>	<b>458</b>	<b>473</b>

### Employee Costs



Employee Costs Expenditure	YTD Actual \$,000	YTD Budget \$,000	YTD Variance \$,000
City Development	3,936	3,961	24
Corporate Services	2,827	2,779	(48)
Community Development	6,265	6,532	267
Asset Management	2,899	3,019	120
<b>Total Employee Costs</b>	<b>15,928</b>	<b>16,291</b>	<b>363</b>

### Council Vehicle Fleet



Council Vehicle Fleet				
	31-Jan-04	31-Dec-03	30-Nov-03	
Tools of Trade Cars	73	73	70	
Other Cars	18	18	18	
<b>Total Passenger Vehicles</b>	<b>91</b>	<b>91</b>	<b>88</b>	
Motorcycles	1	1	1	
Utes/Vans	21	21	21	
Bicycles	2	2	2	
<b>Total Fleet</b>	<b>115</b>	<b>115</b>	<b>112</b>	
Unsold Vehicles	0	1	3	
<b>Total Vehicles on Hand</b>	<b>115</b>	<b>116</b>	<b>115</b>	

**COUNCIL CONTRACTS AWARDED BY COUNCIL DECISION AT A PREVIOUS MEETING**

<b>Contract No</b>	<b>Contract</b>	<b>Description</b>	<b>Contractor(s)</b>	<b>Date Awarded</b>	<b>Term</b>	<b>Value \$</b>
C707	Fitzroy Swimming Pool Rectification and Upgrade Works.	To award a contract for swimming pool rectification works.	McCorkell Constructions Pty Ltd	10 February 2004	NA	\$2,043,223 (GST inclusive)

**COUNCIL CONTRACTS AWARDED UNDER DELEGATION (OVER THE VALUE OF \$50,000)**

<b>Contract No</b>	<b>Contract</b>	<b>Description</b>	<b>Contractor(s)</b>	<b>Date Awarded</b>	<b>Term</b>	<b>Value</b>
C696	Clifton Child Care Centre Renovations Contract	To provide renovation works.	MSA Constructions (VIC) Pty Ltd	28 January 2004	6 months	\$222,450.25 (GST Inclusive)