



## **Council Meeting**

### **Year to Date Finance Report**

**for the period ended 31 December 2017**

**YARRA CITY COUNCIL  
FINANCIAL REPORT  
1 July 2017 to 31 December 2017  
Dashboard**

Income Statement	Full Year Adopted Budget	Full year Adjusted Budget	YTD Adjusted Budget	YTD Actuals	YTD Variance Fav/(Unfav)	YTD Variance Fav/(Unfav)	Full year forecast	Variance to Full Year Adjusted Budget Fav/(Unfav)	Forecast variance Fav/(Unfav)
	\$'000	\$'000	\$'000	\$'000	\$'000	%	\$'000	\$'000	%
<b>Revenue from ordinary activities</b>									
Rates and charges	105,158	105,158	104,118	104,115	(3)	0.0%	105,158	-	0.0%
Statutory fees and fines	28,534	28,534	13,950	15,234	1,284	9.2%	28,084	(450)	-1.6%
User Fees	27,064	27,064	14,182	16,229	2,047	14.4%	28,971	1,906	7.0%
Reimbursements	1,640	1,640	937	832	(105)	-11.2%	1,798	158	9.6%
Grants - Operating	12,023	12,023	5,933	6,603	670	11.3%	11,066	(957)	-8.0%
Grants - Capital	1,195	1,195	20	20	-	0.0%	1,195	-	0.0%
Contributions - monetary	4,300	4,300	2,122	2,953	831	39.2%	4,559	259	6.0%
Net gain/(loss) on disposal	300	300	123	115	(8)	-6.5%	300	-	0.0%
Other Income	1,207	1,207	607	1,203	596	98.2%	1,783	576	47.7%
<b>Total Revenue</b>	<b>181,421</b>	<b>181,421</b>	<b>141,992</b>	<b>147,304</b>	<b>5,312</b>	<b>3.7%</b>	<b>182,914</b>	<b>1,492</b>	<b>0.8%</b>
<b>Expenses from ordinary activities</b>									
Employee Costs	80,639	80,895	40,679	40,491	188	0.5%	81,113	(218)	-0.3%
Materials and services	67,085	67,335	30,661	28,627	2,034	6.6%	67,713	(378)	-0.6%
Bad and doubtful debts	2,010	2,010	812	1,266	(454)	-55.9%	2,010	-	0.0%
Depreciation & Amortisation	20,664	20,664	10,332	10,685	(353)	-3.4%	21,077	(413)	-2.0%
Borrowing costs	2,139	2,139	1,070	1,017	53	5.0%	2,100	39	1.8%
<b>Total Expenses</b>	<b>172,537</b>	<b>173,043</b>	<b>83,554</b>	<b>82,086</b>	<b>1,468</b>	<b>1.8%</b>	<b>174,013</b>	<b>(970)</b>	<b>-0.6%</b>
<b>Net Result</b>	<b>8,884</b>	<b>8,378</b>	<b>58,438</b>	<b>65,218</b>	<b>6,780</b>	<b>11.6%</b>	<b>8,901</b>	<b>522</b>	<b>6.2%</b>

Cash Position	Full year Budget Target	Current period Result	Forecast result
Liquidity Ratio	1.07	3.86	1.07

VAGO Ranges for Liquidity	Low Risk	Medium Risk	High Risk
	> 0	-0.1 - 0	< -0.1

Greater detail is included the VAGO Indicators section on page 14

EFT	Full year Budget	Current period Result	Forecast result
Establishment	839	839.29	839
Vacant positions (included in above)		101.95	

Greater detail is included the EFT section on page 11

Transfers to/from the Open Space Reserve	Balance as at 30/06/2017	Current period balance	Movement	Comments
	\$'000	\$'000	\$'000	
Open Space Reserve	482	1,678	1,196	Council has received \$2.46m to date, and a number of transfers for open space projects have been actioned in December.

Greater detail is included the Open Space Reserves section on page 12

Borrowings	Balance as at 30/06/2017	Current period balance	Movement	Comments
	\$m	\$m	\$m	
Total Borrowings	46.0	45.44	0.559	Principal repayment of \$0.559m YTD

Greater detail is included the Borrowings section on page 13

Income Statement by Division	Full Year Adopted Budget	Full year Adjusted Budget	YTD Adjusted Budget	YTD Actuals	YTD Variance Fav/(Unfav)	YTD Variance Fav/(Unfav)	Full year forecast	Variance to Full Year Adjusted Budget Fav/(Unfav)	Forecast variance Fav/(Unfav)
Chief Executive Revenue	1,503	1,503	752	1,077	325	43.2%	1,825	322	21.4%
Chief Executive Expense	11,061	12,139	6,167	6,078	89	1.4%	12,192	(53)	-0.4%
<b>Net (Exp)/Rev</b>	<b>(9,558)</b>	<b>(10,636)</b>	<b>(5,415)</b>	<b>(5,001)</b>	<b>414</b>	<b>7.6%</b>	<b>(10,367)</b>	<b>269</b>	<b>2.5%</b>
Corporate, Business and Finance Reven	140,070	140,070	121,212	123,309	2,097	1.7%	139,041	(1,029)	-0.7%
Corporate, Business and Finance Expen	60,390	56,809	27,246	28,530	(1,284)	-4.7%	57,241	(433)	-0.8%
<b>Net (Exp)/Rev</b>	<b>79,680</b>	<b>83,262</b>	<b>93,966</b>	<b>94,779</b>	<b>813</b>	<b>0.9%</b>	<b>81,800</b>	<b>(1,462)</b>	<b>-1.8%</b>
Planning and Place Making Revenue	6,500	6,500	3,098	4,968	1,870	60.4%	7,299	798	12.3%
Planning and Place Making Expense	20,673	23,014	10,544	9,681	863	8.2%	23,070	(56)	-0.2%
<b>Net (Exp)/Rev</b>	<b>(14,173)</b>	<b>(16,514)</b>	<b>(7,446)</b>	<b>(4,713)</b>	<b>2,733</b>	<b>36.7%</b>	<b>(15,771)</b>	<b>743</b>	<b>4.5%</b>
Community Wellbeing Revenue	24,718	24,718	12,812	13,502	690	5.4%	25,030	312	1.3%
Community Wellbeing Expense	43,270	43,704	21,462	20,632	830	3.9%	44,184	(480)	-1.1%
<b>Net (Exp)/Rev</b>	<b>(18,552)</b>	<b>(18,986)</b>	<b>(8,650)</b>	<b>(7,130)</b>	<b>1,520</b>	<b>17.6%</b>	<b>(19,154)</b>	<b>(168)</b>	<b>-0.9%</b>
City Works and Assets Revenue	8,630	8,630	4,119	4,449	330	8.0%	9,719	1,089	12.6%
City Works and Assets Expense	37,142	37,377	18,136	17,166	970	5.3%	37,326	51	0.1%
<b>Net (Exp)/Rev</b>	<b>(28,512)</b>	<b>(28,747)</b>	<b>(14,017)</b>	<b>(12,717)</b>	<b>1,300</b>	<b>9.3%</b>	<b>(27,607)</b>	<b>1,140</b>	<b>4.0%</b>
<b>Total Net (Exp)/Rev</b>	<b>8,884</b>	<b>8,378</b>	<b>58,438</b>	<b>65,218</b>	<b>6,780</b>	<b>11.6%</b>	<b>8,901</b>	<b>522</b>	<b>6.2%</b>

Debtors	Balance as at 30/06/17	Current period balance	Movement	Comments
	\$'000	\$'000	\$'000	
Total Debtors	14,196	69,404	55,208	Rates debtors have increased due to raising of the 2017-18 rates notices in August 2017

Greater detail is included the Debtors section on page 10

**Legend:**  
Variance of more than 50,000 or 5% favourable  
Variance of more than 50,000 or 5% unfavourable  
 No highlight indicates that the item is within tolerance

Note: The adopted budget result of \$8.884m has been adjusted for operational new initiatives of \$506k which were in the capital program. The capital program adjusted budget has reduced by the same amount.

**YARRA CITY COUNCIL  
FINANCIAL REPORT  
1 July 2017 to 31 December 2017**

**Income Statement by Revenue and Expenditure with Variance Commentary**

Income Statement	Full Year Adopted Budget	Full year Adjusted Budget	YTD Adjusted Budget	YTD Actuals	YTD Variance Fav/(Unfav)	YTD Variance Fav/(Unfav)	Full year forecast	Variance to Full Year Adjusted Budget Fav/(Unfav)	Forecast variance Fav/(Unfav)	Variance Comments (including variance comments for adjusted budget changes)
	\$'000	\$'000	\$'000	\$'000	\$'000	%	\$'000	\$'000	%	
<b>Revenue from ordinary activities</b>										
Rates and charges	105,158	105,158	104,118	104,115	(3)	0.0%	105,158	-	0.0%	
Statutory fees and fines	28,534	28,534	13,950	15,234	1,284	9.2%	28,084	(450)	-1.6%	Higher than budgeted Parking Infringement notices being issued. Forecast variance due to lower than anticipated parking meter fees, offset by the increase in infringements issued.
User Fees	27,064	27,064	14,182	16,229	2,047	14.4%	28,971	1,906	6.6%	Increased revenue received for town planning fees, credit card surcharge, pre-school fees, leisure centre membership fees, footpath advertising permit fees and commercial area occupation permits. The forecast for some of these items has been adjusted to reflect additional receipts. The remainder will be reviewed in future months.
Reimbursements	1,640	1,640	937	832	(105)	-11.2%	1,798	158	8.8%	Reimbursements are behind mainly due lower than expected construction reinstatements and legal costs reimbursements, offset by the receipt of funds for planning support of the AMCOR project. The forecast has been adjusted to reflect the AMCOR project funds which were not budgeted.
Grants - Operating	12,023	12,023	5,933	6,603	670	11.3%	11,066	(957)	-8.6%	Due to the receipt of operating grants for Aged & Disability Services ahead of expectation. Forecast variance due to early payment of Victorian Grants Commission funds in June 2017.
Grants - Capital	1,195	1,195	20	20	-	0.0%	1,195	-	0.0%	
Contributions - monetary	4,300	4,300	2,122	2,953	831	39.2%	4,559	259	5.7%	Mainly due to the receipt of developer's contributions early in the financial year.
Net gain/(loss) on disposal	300	300	123	115	(8)	-6.5%	300	-	0.0%	Due to minor delay in disposal.
Other Income	1,207	1,207	607	1,203	596	98.2%	1,783	576	32.3%	Mainly due to the sale of a right of way, and funds received from the State Revenue Office that were not budgeted. Income was also received from the VEC for penalty payments following the Council election.
<b>Total Revenue</b>	<b>181,421</b>	<b>181,421</b>	<b>141,992</b>	<b>147,304</b>	<b>5,312</b>	<b>3.7%</b>	<b>182,914</b>	<b>1,492</b>	<b>0.8%</b>	
<b>Expenses from ordinary activities</b>										
Employee Costs	80,639	80,895	40,679	40,491	188	0.5%	81,113	(218)	-0.3%	Due to savings in workcover premium. The forecast reflects payments for redundancies which were not budgeted.
Materials and services	67,085	67,335	30,661	28,627	2,034	6.6%	67,713	(378)	-0.6%	Mainly due to savings in general insurance premiums, contract savings pending renegotiation, and YTD savings in utilities.
Bad and doubtful debts	2,010	2,010	812	1,266	(454)	-55.9%	2,010	-	0.0%	Increase in the provision for parking infringements raised to December. This is a non-cash item.
Depreciation & Amortisation	20,664	20,664	10,332	10,685	(353)	-3.4%	21,077	(413)	-2.0%	Mainly due to higher than anticipated capitalisation from 2016-17. This is a non-cash item.
Borrowing costs	2,139	2,139	1,070	1,017	53	5.0%	2,100	39	1.9%	Due to lower than budgeted interest rate.
<b>Total Expenses</b>	<b>172,537</b>	<b>173,043</b>	<b>83,554</b>	<b>82,086</b>	<b>1,468</b>	<b>1.8%</b>	<b>174,013</b>	<b>(970)</b>	<b>-0.6%</b>	
<b>Net Result</b>	<b>8,884</b>	<b>8,378</b>	<b>58,438</b>	<b>65,218</b>	<b>6,780</b>	<b>11.6%</b>	<b>8,901</b>	<b>522</b>	<b>6.2%</b>	

Legend: > (50,000) and/or (5%) Unfavourable variance  
> = 50,000 and/or 5% Favourable variance  
No highlight indicates that the item is within tolerance

Note: The adopted budget result of \$8.884m has been adjusted for operational new initiatives of \$506k which were in the capital program. The capital program adjusted budget has reduced by the same amount.

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Debtors**

Rate Debtors Aging (years)	<1 \$'000	1 \$'000	2 \$'000	3+ \$'000	Total \$'000
Commercial	10,177	179	29	18	10,403
FSL - Commercial	2,892	61	9	4	2,966
Industrial	3,344	113	51	27	3,535
FSL - Industrial	1,330	27	9	3	1,370
Residential	35,815	982	347	529	37,673
FSL - Residential	3,285	83	29	21	3,417
FSL - Public Benefit	27	1	-	-	28
FSL - Vacant	14	0	0	-	15
FSL - Interest	17	10	3	1	30
Legal Fees	7	8	15	7	37
Bridge Road Special Charge	86	2	0	-	87
Garbage & Other	38	1	2	1	42
<b>Sub Total</b>	<b>57,032</b>	<b>1,466</b>	<b>492</b>	<b>611</b>	<b>59,601</b>

Parking Debtors	Balance as at 30/06/17 \$'000	Current period balance \$'000	Movement Inc/(Dec) \$'000	Comments
	4,839	5,458	619	Jul-Dec'17 additional infringement debtors raised less payments received and debt provision.

**Parking Debtors Aging**

Aging (days)	Total	Current	30	60	90+
	5,458	1,020	636	420	3,383

General/Sundry Debtors	Balance as at 30/06/17 \$'000	Current period balance \$'000	Movement Inc/(Dec) \$'000	Comments
	4,865	4,345	(520)	Jul-Dec'17 reduction in debtors due to payments received in excess of debtors raised. No adjustment to debt provision at this time.

**General/Sundry Debtors Aging**

Aging (days)	Total \$'000	Current \$'000	30 \$'000	60 \$'000	90+ \$'000
Sundry Debtors (3250 / 3270)	732	469	107	34	123
Provision for Doubtful Debt (3252)	(973)	-	-	-	(973)
RAMs Debtors (3256)	5,692	1,713	205	131	3,643
Animal Debtors (3257)	12	0	0	0	11
PLUS Debtors (3258)	255	10	200	2	43
Local Laws Debtors (3259)	126	0	-	0	126
Building Debtors (3261)	724	218	26	17	463
Salary Sacrifice (3264)	2	2	-	-	-
Fines and Costs (3265)	1,072	43	28	16	985
Leisure Debtors (3266)	199	12	4	4	178
Child Care Debtors (3267)	689	15	8	61	605
Library Debtors (3268)	26	13	-	-	13
BAGS Control Debtors (3271)	359	5	10	14	329
Bin Debtors (3272)	18	5	1	0	11
MCC Superannuation (3222)	(0)	(0)	-	-	-
GST Clearing (3249 / 3255)	982	982	-	-	-
Workcover Wages / Receipts (3230 / 3232)	191	191	-	-	-
Perin Cheques - Parking (3273)	68	-	-	-	68
Services Contracts (3262)	(5,827)	(1,754)	(210)	(134)	(3,730)
<b>Total</b>	<b>4,345</b>	<b>1,924</b>	<b>379</b>	<b>145</b>	<b>1,896</b>

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EFT**

Division	Balance as at 30/06/17	Current period balance	Movement Fav/(Unfav)	Comments
CEO Division	40.98	56.38	(15.40)	Increase is due to the transfer of Communications & Engagement into the CEO Division and 1 new EFT in the Governance Branch for the Heritage Advisor.
Corporate, Business & Financial Services	136.96	161.11	(24.15)	Increase is due to the transfer of Access Yarra into Corporate, Business & Finance Division; Two previously closed positions were reopened in Innovation. 1 temporary EFT was added in Finance Branch for the Accounts Receivable Officer role for a secondment vacancy. 1.5 Temporary positions were closed in December.
Community Wellbeing	382.87	387.53	(4.66)	Increase is due to the transfer of the Social Policy Unit into the Community Wellbeing Division; Some minor reductions for Leisure casual and part-time staff. A part-time position in Family, Youth & Child Services was reopened.
City Works & Assets	140.28	138.08	2.20	Decrease due to closure of Manager Building Assets position following restructure, as well as two temporary positions ending in the first quarter of the financial year.
Planning & Placemaking	95.18	96.19	(1.01)	Increase is due to an additional of 0.6 EFT in City Strategy for temporary positions in Strategic Planning, and 1 EFT for a permanent position for a Public Space Designer; A temporary position in Statutory Planning was closed; The casual position for Executive Planner Strategic Projects in Planning & Placemaking Executive was closed in October. 0.4 EFT was added in Statutory Planning in December.
Advocacy & Engagement	41.65	-	41.65	Advocacy & Engagement was disbanded in July 2017 and EFT was distributed to other divisions.
<b>Total</b>	<b>837.92</b>	<b>839.29</b>	<b>(1.37)</b>	

**YARRA CITY COUNCIL  
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Open Space Reserve**

Council receives contributions specifically for Open Space as part of development permits. This reserve is then expended on open space projects. Contributions are received into Council's income statement first, as they are required to be recognised as revenue before being transferred into the reserve.

Open Space Reserve Account	Amount \$'000
Opening Balance as at 30 June 2017	482

Funds Received (Transfers to Reserve)	Amount \$'000
239-249 Johnson St Fitzroy (117 lot sub)	430
237-253 Napier St Fitzroy (52 lot sub)	437
114-118 Hoddle St Abbotsford (20 lot sub)	77
2 Hodgson St Richmond (4 lot sub)	124
416-422 Smith St Collingwood (83 lot sub)	400
54B Marine Pde Abbotsford (4 lot sub)	63
3 Hertford Street Fitzroy	58
109 Wellington Street Collingwood	131
6 lot residential subdivision Nicholson St North Fitzroy	47
3 lot residential subdivision Easy St Collingwood	56
6 lot residential subdivision Davidson St Richmond	95
3 lot residential subdivision Peckville St Clifton Hill	53
90 lot residential subdivision Gore St and 221 Moor St Fitzroy	405
6 lot subdivision 14-16 Yambla St Clifton Hill	88
<b>Total</b>	<b>2,464</b>

Projects (transfers from Reserve)	Amount \$'000
Merri Ck Parklands - Bundara St Reserve	269
Darling Gardens	260
Williams Reserve	219
Darling Gardens - Playground	202
George Knott Reserve	56
Darling Gardens	53
Minor Works Assets	44
Minor Works Assets	29
Open Spaces Signage Renewal Program	21
Clarke Street Reserve	20
Alphington Park	17
Yambla St Soccer	16
Minor Works Assets	11
Construction of new local park at Charles and Mollison Stree	10
Merri Creek Trail - Coulson Reserve Path	10
Open Space Children Services	10
Rushall Reserve shared path by-pass	9
Minor Works Assets	7
Edinburgh Gardens	4
Stolen Generations Marker	2
<b>Total</b>	<b>1,268</b>

Open Space Reserve Account	Amount \$'000
Closing Balance as at 31 December 2017	1,678

**YARRA CITY COUNCIL  
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Borrowings**

Amount \$m	Lender	Type	Term years	Maturing	Balance as at 30/06/17 \$m	Current period balance \$m	Movement	Comments
\$32.5M	NAB	Interest only	7	2021	32.5	32.5	-	Interest only
\$13.5M	CBA	P&I	10	2027	13.5	12.9	0.6	Principle component repayments to date \$559K - next repayment due in Feb'18)

**YARRA CITY COUNCIL  
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Financial Sustainability Indicators**

The indicators are designed to be used as a measure of sustainability at the end of a financial year. The results during the year will fluctuate.

VAGO Indicators		VAGO Ranges				
Indicator/Description	Formula	2016-17 Result	Current Period Result	Low Risk	Medium Risk	High Risk
Net Result (%)	Net Result / Total Revenue	10%	44%	> 0%	-10% - 0%	< -10%
A positive result indicates a surplus, and the larger the percentage, the stronger the result. A negative result indicates a deficit. Operating deficits cannot be sustained in the long term. The net result and total revenue are obtained from the comprehensive operating statement.						
Liquidity (ratio)	Current assets / Current liabilities	1.51	3.86	> 1.0	0.75 - 1.0	< 0.75
This measures the ability to pay existing liabilities in the next 12 months. A ratio of one or more means there are more cash and liquid assets than short-term liabilities.						
Internal financing (%)	Net operating cash flow / Net capital expenditure	99%	209%	> 100%	75% - 100%	< 75%
This measures the ability of Council to finance capital works from generated cash flow. The higher the percentage, the greater the ability for Council to finance capital works from their own funds. Net operating cash flow and net capital expenditure are obtained from the cash flow statement.						
Indebtedness (%)	Non-current liabilities / own-sourced revenue	29%	33%	< 40%	40% - 60%	> 60%
Comparison of non-current liabilities (mainly comprising borrowings) to own-sourced revenue. The higher the percentage, the less Council is able to cover non-current liabilities from the revenues Council generates itself. Own-sourced revenue is used, rather than total revenue, because it does not include grants or contributions.						
Capital replacement (ratio)	Cash outflows for property, plant and equipment / Depreciation	1.7	1.1	>1.5	1.0 - 1.5	< 1.0
Comparison of the rate of spending on infrastructure with depreciation. Ratios higher than 1:1 indicate that spending is faster than the depreciation rate. This is a long-term indicator, as capital expenditure can be deferred in the short term if there are insufficient funds available from operations, and borrowing is not an option. Cash outflows for infrastructure are taken from the cash flow statement. Depreciation is taken from the comprehensive operating statement.						
Renewal gap (ratio)	Renewal and upgrade expenditure/depreciation	1.0	0.7	>1.0	0.5 - 1.0	<0.5
Comparison of the rate of spending on existing assets through renewing, restoring, and replacing existing assets with depreciation. Ratios higher than 1.0 indicate that spending on existing assets is faster than the depreciation rate. Similar to the investment gap, this is a long-term indicator, as capital expenditure can be deferred in the short term if there are insufficient funds available from operations, and borrowing is not an option. Renewal and upgrade expenditure are taken from the statement of capital works. Depreciation is taken from the comprehensive operating statement.						

Local Government Performance Reporting Framework Indicators					
Indicator/Description	Measure		2016-17 Result	Current Period Result	Variance
<b>Liquidity</b>					
L1	Current assets compared to current liabilities		150.6%	386.2%	156.4%
L2	Unrestricted cash compared to current liabilities		63.6%	104.1%	63.7%
<b>Obligations</b>					
O1	Asset renewal as a % of depreciation		98.8%	66%	-33.6%
O2	Loans and borrowings as a % of rates		45.4%	43.6%	-3.9%
O3	Loans and borrowings repayments as a % of rates		1.5%	1.8%	19.9%
O4	Non-current liabilities as a % of own source revenue		29.4%	33.0%	12.2%
<b>Operating Position</b>					
OP1	Adjusted underlying surplus (or deficit) as a % of underlying revenue		6.3%	41.7%	560.5%



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Capital Works Program with Variance Commentary**

Adopted Budget Classification	Full Year Adopted Budget	Full year Adjusted Budget	YTD Adjusted Budget	YTD Actuals	YTD Variance Fav/(Unfav)	YTD Variance Fav/(Unfav)	Full year forecast	Variance to Full Year Adjusted Budget Fav/(Unfav)	Forecast variance Fav/(Unfav)	Carry Over	Deferred	Variance Analysis/Comments (including explanation of budget movements)
	\$'000	\$'000	\$'000	\$'000	\$'000	%	\$'000	\$'000	%	\$'000	\$'000	
<b>Property</b>												
Buildings	7,574	8,524	4,031	1,880	2,151	53.4%	7,807	717	8.4%	396	-	The YTD variance is mainly due to the timing of payments of invoices and rephasing of some building projects. Savings have also been identified in the the FTH/CTH roof renewal project and this will translate into a favourable result. The Collingwood depot accommodation project is on hold subject to further management review. The Building Energy & Efficiency program is lagging in payments but all purchase orders have been raised.
<b>Total buildings</b>	<b>7,574</b>	<b>8,524</b>	<b>4,031</b>	<b>1,880</b>	<b>2,151</b>	<b>53.4%</b>	<b>7,807</b>	<b>717</b>	<b>8.4%</b>	<b>396</b>	<b>-</b>	
<b>Total property</b>	<b>7,574</b>	<b>8,524</b>	<b>4,031</b>	<b>1,880</b>	<b>2,151</b>	<b>53.4%</b>	<b>7,807</b>	<b>717</b>	<b>8.4%</b>	<b>396</b>	<b>-</b>	
<b>Plant and equipment</b>												
Plant, Machinery & Equipment	2,457	2,293	1,209	704	504	41.7%	2,293	-	0.0%	-	-	The YTD variance is mainly due to the timing of payments of invoices and delays in the purchase of new vehicles due to a policy review. The variance is also due to delayed purchase of a bus and one truck.
Computers & Telecommunications	3,207	3,176	1,246	320	926	74.3%	3,176	-	0.0%	-	-	The YTD variance is mainly due to the timing of payments of invoices. The main variance is due to the delay in purchasing a new Unified Phone System .
<b>Total plant and equipment</b>	<b>5,664</b>	<b>5,469</b>	<b>2,455</b>	<b>1,024</b>	<b>1,431</b>	<b>58.3%</b>	<b>5,469</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	
<b>Infrastructure</b>												
Roads	8,396	8,396	3,888	2,735	1,153	29.7%	8,307	89	1.1%	130	-	The YTD variance is mainly due to the timing of invoices, as well as accruals reversing from 2016-17. The Roads program is ahead of baseline projections.
Lanes	842	842	434	192	243	55.9%	759	83	9.9%	-	-	The YTD variance is mainly due to the timing of payments of invoices.
Transport	872	872	177	144	33	18.5%	1,245	(373)	-42.8%	-	-	The YTD variance is mainly due to the timing of payments of invoices.
Waste Management	60	60	60	-	60	100.0%	60	-	0.0%	-	-	
Parks, Open Space And Streetscapes	8,066	8,066	2,278	1,269	1,009	44.3%	8,048	18	0.2%	-	-	YTD variance is mainly due to the delay in payments for carry-forward projects. Main variations are due to Darling Gardens irrigation works & Coulson Reserve shared path. Both projects have started but are little bit behind on timelines.
Street Furniture	330	330	22	1	22	95.7%	330	-	0.0%	-	-	Variance is due to phasing of budget
Retail Strips	730	770	265	23	242	91.3%	780	(10)	-1.2%	-	-	The YTD variance is mainly due to the timing of payments of invoices.
Priority Projects	506	-	-	-	-	0.0%	-	-	0.0%	-	-	These projects were transferred to operating
Provisional Carry Forwards	-	-	-	-	-	0.0%	-	-	0.0%	-	-	Carry-forward projects have been allocated to specific categories
<b>Total infrastructure</b>	<b>19,802</b>	<b>19,336</b>	<b>7,125</b>	<b>4,363</b>	<b>2,762</b>	<b>38.8%</b>	<b>19,529</b>	<b>(193)</b>	<b>-1.0%</b>	<b>130</b>	<b>-</b>	
<b>Total capital works expenditure</b>	<b>33,040</b>	<b>33,329</b>	<b>13,611</b>	<b>7,268</b>	<b>6,343</b>	<b>46.6%</b>	<b>32,805</b>	<b>524</b>	<b>1.6%</b>	<b>526</b>	<b>-</b>	
<b>Represented by:</b>												
New asset expenditure	5,296	4,790	451	58	393	87.2%	4,851	(61)	-1.3%	-	-	
Asset renewal expenditure	27,205	27,350	12,305	7,005	5,301	43.1%	26,152	1,197	4.4%	526	-	
Asset upgrade expenditure	539	1,189	854	205	649	76.0%	1,802	(613)	-51.6%	-	-	
	<b>33,040</b>	<b>33,329</b>	<b>13,611</b>	<b>7,268</b>	<b>6,343</b>	<b>46.6%</b>	<b>32,805</b>	<b>524</b>	<b>1.6%</b>	<b>526</b>	<b>-</b>	

Note: The adopted budget result of \$33.040m has been adjusted for operational new initiatives of \$506k which were in the capital program. The operational program adjusted budget has increased by the same amount. Additional Carry-forwards were also approved after the budget was adopted.

**YARRA CITY COUNCIL  
FINANCIAL REPORT  
1 July 2017 to 31 December 2017**

**City of Yarra  
Income Statement**

**For Period 06 - December**

	17/18 CL Actuals YTD \$'000	17/18 Bud Adjusted YTD \$'000	Actuals vs Budget YTD Variance \$'000	Actuals vs Budget YTD Variance %	17/18 CL Bud Adopted Full Year \$'000	17/18 Bud Adjusted Full Year \$'000	Current Forecast Full Year \$'000	Budget vs Forecast Full Year Variance \$'000
<b>Revenue from ordinary activities</b>								
Rates and charges	104,115	104,118	(4)	0%	105,158	105,158	105,158	0
Statutory fees and fines	15,234	13,950	1,284	9%	28,534	28,534	28,084	(450)
User Fees	16,229	14,182	2,046	14%	27,064	27,064	28,971	1,907
Reimbursements	832	937	(104)	-11%	1,640	1,640	1,798	158
Grants - Operating	6,603	5,933	670	11%	12,023	12,023	11,066	(957)
Grants - Capital	20	20	0	0%	1,195	1,195	1,195	0
Contributions - monetary	2,953	2,122	831	39%	4,300	4,300	4,559	259
Net gain/(loss) on disposal of property, infrastructure, pla	115	123	(8)	-7%	300	300	300	0
Other Income	1,203	607	596	98%	1,207	1,207	1,783	576
	<b>147,304</b>	<b>141,993</b>	<b>5,311</b>	<b>4%</b>	<b>181,421</b>	<b>181,421</b>	<b>182,914</b>	<b>1,492</b>
<b>Expenses from ordinary activities</b>								
Employee Costs	40,491	40,679	188	0%	80,639	80,895	81,113	(219)
Materials and services	28,627	30,661	2,034	7%	67,085	67,335	67,713	(378)
Bad and doubtful debts	1,266	812	(454)	-56%	2,010	2,010	2,010	0
Depreciation & Amortisation	10,685	10,332	(353)	-3%	20,664	20,664	21,077	(413)
Borrowing costs	1,017	1,070	52	5%	2,139	2,139	2,100	39
	<b>82,086</b>	<b>83,553</b>	<b>1,467</b>	<b>2%</b>	<b>172,537</b>	<b>173,043</b>	<b>174,014</b>	<b>(971)</b>
	<b>65,218</b>	<b>58,440</b>	<b>6,778</b>	<b>12%</b>	<b>8,885</b>	<b>8,378</b>	<b>8,900</b>	<b>522</b>

**YARRA CITY COUNCIL  
FINANCIAL REPORT  
1 July 2017 to 31 December 2017  
Balance sheet**

	Balance as at 30/06/2017 \$'000	Balance as at period end \$'000	Movement Inc/(Dec) \$'000	Comments
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents	34,153	44,872	10,719	Payment of creditors and receipt of rates funds following the issue of quarterly rate notices.
Receivables - Rates	4,492	59,601	55,109	Rates have been raised in August 2017
Receivables - Parking	4,839	5,458	619	Jul-Dec 17 infringement debtors raised less payments and debt provision.
Receivables - Other	4,865	4,345	(520)	Jul-Dec 17 debtors payments in excess of debts raised.
Accrued income	169	49	(120)	Revenue raised in previous periods has been received in cash
Prepayments	202	58	(144)	Prepayments are expected to expire by the end of the FY in line with motor vehicle registration and insurance.
Inventories	128	128	-	
Assets Held for Resale	-	-	-	
<b>Total Current Assets</b>	<b>48,849</b>	<b>114,511</b>	<b>65,662</b>	
<b>Non-Current Assets</b>				
Non-current receivables	230	230	-	
Non-current investments	-	-	-	
Financial assets	5	5	-	
Property, infrastructure, plant and equipment	1,685,039	1,681,622	(3,417)	Payments for property, plant & equipment offset by accumulated depreciation.
<b>Total Non-Current Assets</b>	<b>1,685,274</b>	<b>1,681,857</b>	<b>(3,417)</b>	
<b>TOTAL ASSETS</b>	<b>1,734,123</b>	<b>1,796,368</b>	<b>62,245</b>	
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Payables	7,905	1,534	(6,371)	Payments have been made which bring the payables figure down. This will vary during the financial year.
Fire Services Levy	4,907	7,859	2,952	Raised at the same time as Rate income.
Trust funds	3,499	4,252	753	The movement is mainly due to construction management and asset protection bonds received.
Accrued Expenses	2,261	2,917	656	Accruals raised for expenditure not yet paid. This will vary during the financial year.
Employee benefits	12,582	12,515	(67)	The movement is due to accrued leave benefits.
Income in advance	147	-	(147)	The movement is due to income received in advance used in 2017-18
Interest-bearing liabilities	1,133	574	(559)	Payment of loan principal.
<b>Total Current Liabilities</b>	<b>32,434</b>	<b>29,651</b>	<b>(2,783)</b>	
<b>Non-Current Liabilities</b>				
Non-current employee benefits	1,484	1,293	(191)	The movement is due to accrued long service leave benefits utilised.
Non-current interest bearing liabilities	44,867	44,867	-	
Non-current Trust Liability	225	227	2	
<b>Total Non-Current Liabilities</b>	<b>46,576</b>	<b>46,387</b>	<b>(189)</b>	
<b>TOTAL LIABILITIES</b>	<b>79,009</b>	<b>76,038</b>	<b>(2,971)</b>	
<b>NET ASSETS</b>	<b>1,655,113</b>	<b>1,720,330</b>	<b>65,217</b>	
<b>Represented by:</b>				
Accumulated surplus	581,267	597,579	16,312	
Asset revaluation reserves	1,035,678	1,035,678	-	
Other reserves	20,661	21,855	1,194	
Retained Earnings	17,507	65,218	47,711	
<b>EQUITY</b>	<b>1,655,113</b>	<b>1,720,330</b>	<b>65,217</b>	<b>Current Period Result</b>

**YARRA CITY COUNCIL  
FINANCIAL REPORT  
1 July 2017 to 31 December 2017  
Cash Flow Statement**

	Balance as at period end \$'000
<b>Cash Flows from Operating Activities</b>	
Rates and Charges	51,738
Parking Revenue	12,155
Government Grants Received	5,571
Victoria Grants Commission	601
User Charges, Fees and Other Fines Received	17,981
Reimbursements and Contributions Received	1,241
Interest Revenue	319
Other Revenue	4,632
Payments to Suppliers	(30,155)
Payments to Employees	(39,946)
Net GST	(25)
<b>Net Cash Provided by Operating Activities</b>	<b>24,112</b>
<b>Cash Flows from Investing Activities</b>	
Proceeds from Sale of Property, Plant & Equipment	109
Payments for Infrastructure, Property Plant & Equipment	(11,640)
<b>Net Cash (Used in) Investing Activities</b>	<b>(11,531)</b>
<b>Cash Flows from/(used in) Financing Activities</b>	
Finance Costs	(1,302)
Proceeds from Borrowings/(Payments Towards)	(559)
<b>Net Cash (Used In) Financing Activities</b>	<b>(1,861)</b>
<b>Cash Balances</b>	
Change in Cash Held	10,720
Cash Control Balances	34,153
<b>Cash at the End of the Financial Period</b>	<b>44,872</b>
<b>End of year Budgeted cash balance</b>	<b>26,247</b>

Council needs to fund the following items from the current cash balance. This may include expenses associated with revenue received in a previous financial year (eg: grants)

<b>Future items to be funded</b>	<b>\$'000</b>
Grant Commission Funding (2017-18 funds received in 2016-17)	925
Capital Carry Forwards	959
Operating Carry Forwards:	171
Grants received in 2016-17 for expenditure in 2017-18	225
Operating Grant Income Received - to be taken back in 2017-18 (NDIS Funding Target Shortfall)	203
<b>Total</b>	<b>2,483</b>

**YARRA CITY COUNCIL  
FINANCIAL REPORT  
1 July 2017 to 31 December 2017  
Capital Works Statement**

Adopted Budget Classification	Full Year Adopted Budget	Full year Adjusted Budget	YTD Adjusted Budget	YTD Actuals	YTD Variance Fav/(Unfav)	YTD Variance Fav/(Unfav)	Full year forecast	Variance to Full Year Adjusted Budget Fav/(Unfav)	Forecast variance Fav/(Unfav)	Carry Over	Deferred
	\$'000	\$'000	\$'000	\$'000	\$'000	%	\$'000	\$'000	%	\$'000	\$'000
<b>Property</b>											
Buildings	7,574	8,524	4,031	1,880	2,151	53.4%	7,807	717	8.4%	396	-
<b>Total buildings</b>	<b>7,574</b>	<b>8,524</b>	<b>4,031</b>	<b>1,880</b>	<b>2,151</b>	<b>53.4%</b>	<b>7,807</b>	<b>717</b>	<b>8.4%</b>	<b>396</b>	<b>-</b>
<b>Total property</b>	<b>7,574</b>	<b>8,524</b>	<b>4,031</b>	<b>1,880</b>	<b>2,151</b>	<b>53.4%</b>	<b>7,807</b>	<b>717</b>	<b>8.4%</b>	<b>396</b>	<b>-</b>
<b>Plant and equipment</b>											
Plant, Machinery & Equipment	2,457	2,293	1,209	704	504	41.7%	2,293	-	0.0%	-	-
Computers & Telecommunications	3,207	3,176	1,246	320	926	74.3%	3,176	-	0.0%	-	-
<b>Total plant and equipment</b>	<b>5,664</b>	<b>5,469</b>	<b>2,455</b>	<b>1,024</b>	<b>1,431</b>	<b>58.3%</b>	<b>5,469</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>
<b>Infrastructure</b>											
Roads	8,396	8,396	3,888	2,735	1,153	29.7%	8,307	89	1.1%	130	-
Lanes	-	-	-	-	-	0.0%	-	-	0.0%	-	-
Transport	842	842	434	192	243	55.9%	759	83	9.9%	-	-
Waste Management	872	872	177	144	33	18.5%	1,245	(373)	-42.8%	-	-
Parks, Open Space And Streetscapes	60	60	60	-	60	100.0%	60	-	0.0%	-	-
Street Furniture	8,066	8,066	2,278	1,269	1,009	44.3%	8,048	18	0.2%	-	-
Retail Strips	330	330	22	1	22	95.7%	330	-	0.0%	-	-
Priority Projects	730	770	265	23	242	91.3%	780	(10)	-1.2%	-	-
Provisional Carry Forwards	506	-	-	-	-	0.0%	-	-	0.0%	-	-
<b>Total infrastructure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>
<b>Total capital works expenditure</b>	<b>19,802</b>	<b>19,336</b>	<b>7,125</b>	<b>4,363</b>	<b>2,762</b>	<b>38.8%</b>	<b>19,529</b>	<b>(193)</b>	<b>-1.0%</b>	<b>130</b>	<b>-</b>

**Represented by:**

New asset expenditure	5,296	4,790	451	58	393	87.2%	4,851	(61)	-1.3%	-	-
Asset renewal expenditure	27,205	27,350	12,305	7,005	5,301	43.1%	26,152	1,197	4.4%	526	-
Asset upgrade expenditure	539	1,189	854	205	649	76.0%	1,802	(613)	-51.6%	-	-
	<b>33,040</b>	<b>33,329</b>	<b>13,611</b>	<b>7,268</b>	<b>6,343</b>	<b>46.6%</b>	<b>32,805</b>	<b>524</b>	<b>1.6%</b>	<b>526</b>	<b>-</b>

Note: The adopted budget result of \$33.040m has been adjusted for operational new initiatives of \$506k which were in the capital program. The operational program adjusted budget has increased by the same amount. Additional Carry-forwards were also approved after the budget was adopted.

**YARRA CITY COUNCIL  
FINANCIAL REPORT  
1 July 2017 to 31 December 2017  
2017-18 Grant Applications**

<b>Grant from</b>	<b>Grant Name/Details</b>	<b>Branch</b>	<b>Amount</b>	<b>Co-contribution from Yarra (Y/N?, how much?, Capital? Operating?)</b>	<b>Grant outcome-successful or not successful</b>
Vicroads	Infrastructure Black spot program Shelley Street Elizabeth Street Richmond and Nicholson Street Harpert Street Abbotsford: Intersection upgrades	Traffic	144,000		Successful
Sustainability Victoria	Closing the Loop on Yarra's Food Waste	Sustainability & Strategic Transport	500,000		Successful
Engage! DHHS	Rising High Music Pathways Program	Family and Childrens Services	150,000		Not yet known
Smart Cities & Suburbs Program Federal Gov, Department of Industry, Innovation & Science	City of Yarra Smart Waste Program	City Works	120,000		Not yet known
Creative Victoria	Stolen Generation Marker	Arts and Culture	50,000		Not yet known
Creative Victoria	Molly Statue Wangaratta Park	Arts and Culture	40,000		Not yet known
<b>Total</b>			<b>1,004,000</b>		