



Council Meeting

Year to Date Finance Report

for the period

1 July 2018 to 31 March 2019

**YARRA CITY COUNCIL
FINANCIAL REPORT
1 July 2018 to 31 March 2019
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	%
Revenue from ordinary activities									
Rates and charges	108,936	108,936	108,454	108,335	(119)	-0.1%	108,531	(405)	-0.4%
Statutory fees and fines	29,570	29,870	21,831	23,637	1,806	8.3%	32,046	2,176	7.3%
User Fees	28,041	28,969	21,783	23,522	1,739	8.0%	30,730	1,761	6.1%
Reimbursements	1,360	1,360	985	1,189	204	20.7%	1,946	586	43.1%
Grants - Operating	12,337	12,312	9,160	8,948	(212)	-2.3%	12,796	484	3.9%
Grants - Capital	1,151	1,151	838	3,396	2,558	305.3%	20,340	19,189	1667.2%
Contributions - OSR	4,000	4,000	3,000	4,758	1,758	58.6%	5,000	1,000	25.0%
Contributions - Other monetary	369	371	282	551	269	95.4%	418	47	12.7%
Net gain/(loss) on disposal	205	205	154	151	(3)	-1.9%	205	-	0.0%
Other Income	1,561	1,501	1,029	2,560	1,531	148.7%	2,309	808	53.8%
Total Revenue	187,530	188,675	167,516	177,047	9,531	5.7%	214,322	25,647	13.6%
Expenses from ordinary activities									
Employee Costs	82,260	82,615	61,685	60,844	841	1.4%	81,376	1,239	1.5%
Materials and services	68,740	69,530	47,618	48,130	(512)	-1.1%	72,104	(2,574)	-3.7%
Bad and doubtful debts	1,980	1,980	1,355	3,379	(2,024)	-149.4%	3,900	(1,920)	-97.0%
Depreciation & Amortisation	22,432	22,432	16,824	16,811	13	0.1%	22,696	(264)	-1.2%
Borrowing costs	1,964	1,964	1,473	1,483	(10)	-0.7%	1,964	-	0.0%
Total Expenses	177,376	178,521	128,955	130,647	(1,692)	-1.3%	182,039	(3,518)	-2.0%
Net Result	10,154	10,154	38,561	46,400	7,839	20.3%	32,283	22,129	217.9%

Cash Position	Full year Budget Target	Current period Result	Forecast result	VAGO Ranges for Liquidity		
				Low Risk	Medium Risk	High Risk
Liquidity Ratio	1.22	3.28	1.22	> 1	0.75 - 1	< 0.75

Greater detail is included in the VAGO Indicators section on page 8

EFT	Full year Budget	Current period Result	Forecast result
Establishment	839	848.21	848.21
Vacant positions (included in above)		56.9	

Greater detail is included in the EFT section on page 4

Transfers to/from the Open Space Reserve	Balance as at 30/06/2018 \$'000	Current period balance \$'000	Movement \$'000	Comments
Open Space Reserve	3,517	7,525	4,008	Movement in contributions received less expenditure YTD for 2018/19.

Greater detail is included in the Open Space Reserves section on page 6

Borrowings	Balance as at 30/06/2018 \$m	Current period balance \$m	Movement \$m	Comments
Total Borrowings	44.9	44.0	0.900	Principal repayment of \$0.9M YTD

Greater detail is included in the Borrowings section on page 7

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	1,559	1,559	1,169	1,377	208	17.8%	1,720	161	10.3%
Chief Executive Expense	14,559	14,363	10,976	11,184	(208)	-1.9%	14,349	14	0.1%
<i>Net (Exp)/Rev</i>	<i>(13,000)</i>	<i>(12,804)</i>	<i>(9,807)</i>	<i>(9,807)</i>	-	0.0%	<i>(12,629)</i>	175	1.4%
Corporate, Business and Finance Revenue	145,444	145,744	135,700	140,141	4,441	3.3%	165,816	20,072	13.8%
Corporate, Business and Finance Expense	56,492	54,160	37,099	43,522	(6,423)	-17.3%	59,208	(5,048)	-9.3%
<i>Net (Exp)/Rev</i>	<i>88,952</i>	<i>91,584</i>	<i>98,601</i>	<i>96,619</i>	<i>(1,982)</i>	<i>-2.0%</i>	<i>106,608</i>	<i>15,024</i>	<i>16.4%</i>
Planning and Place Making Revenue	7,079	7,079	5,334	7,529	2,195	41.2%	10,315	3,236	45.7%
Planning and Place Making Expense	13,546	15,651	11,033	10,044	989	9.0%	14,857	794	5.1%
<i>Net (Exp)/Rev</i>	<i>(6,467)</i>	<i>(8,572)</i>	<i>(5,699)</i>	<i>(2,515)</i>	<i>3,184</i>	<i>55.9%</i>	<i>(4,542)</i>	<i>4,030</i>	<i>47.0%</i>
Community Wellbeing Revenue	14,431	14,920	11,073	11,697	624	5.6%	14,656	(264)	-1.8%
Community Wellbeing Expense	33,751	34,391	25,353	24,374	979	3.9%	33,800	591	1.7%
<i>Net (Exp)/Rev</i>	<i>(19,320)</i>	<i>(19,471)</i>	<i>(14,280)</i>	<i>(12,677)</i>	<i>1,603</i>	<i>11.2%</i>	<i>(19,144)</i>	<i>327</i>	<i>1.7%</i>
City Works and Assets Revenue	19,017	19,373	14,238	16,303	2,065	14.5%	21,815	2,442	12.6%
City Works and Assets Expense	59,027	59,956	44,492	41,523	2,969	6.7%	59,825	131	0.2%
<i>Net (Exp)/Rev</i>	<i>(40,010)</i>	<i>(40,583)</i>	<i>(30,254)</i>	<i>(25,221)</i>	<i>5,034</i>	<i>16.6%</i>	<i>(38,010)</i>	<i>2,573</i>	<i>6.3%</i>
Total Net (Exp)/Rev	10,154	10,154	38,561	46,400	7,839	20.3%	32,283	22,129	217.9%

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 revenue has moved by \$1.1m due to increased user fees and charges as well as Grant income predominantly in the Community Wellbeing areas. This increase is entirely offset by increase in costs associated with the service delivery.

Debtors	Balance as at 30/06/18 \$'000	Current period balance \$'000	Movement \$'000	Comments
Total Debtors	15,857	44,598	(28,741)	Debtors have increased due to raising of the 2018-19 rates notices in August 2018.

Greater detail is included in the Debtors section on page 5

**YARRA CITY COUNCIL
FINANCIAL REPORT
1 July 2018 to 31 March 2019**

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	%	
Revenue from ordinary activities										
Rates and charges	108,936	108,936	108,454	108,335	(119)	-0.1%	108,531	(405)	-0.4%	Unfavourable variance YTD mainly due to pensioner rate discounts being over budget. Full year forecast unfavourable variance to budget due to supplementary rate revenue forecasted to be below budget and pensioner rate exemption expense forecast to exceed budget.
Statutory fees and fines	29,570	29,870	21,831	23,637	1,806	8.3%	32,046	2,176	7.3%	Higher than budgeted Parking Infringement notices issued YTD - ongoing influence of new parking technology. Favourable variance is reflected in the full year forecast. This does not translate to cash until the fines are paid, and bad debt provision also offsets some of the revenue.
User Fees	28,041	28,969	21,783	23,522	1,739	8.0%	30,730	1,761	6.1%	Construction Management occupation permits and inspection fee income has exceeded expectation YTD which is representative of high development activity. Full year forecast is favourable to budget as a result.
Reimbursements	1,360	1,360	985	1,189	204	20.7%	1,946	586	43.1%	Favourable variance relates to unbudgeted income relating to the Amcor Site development as well as reimbursements for legal and inspection fees in Construction Management.
Grants - Operating	12,337	12,312	9,160	8,948	(212)	-2.3%	12,796	484	3.9%	Unfavourable variance YTD due to 2nd instalment of Library funding from the State Government not yet being received. Expected to be received in April. Full year forecast still expected to exceed budget.
Grants - Capital	1,151	1,151	838	3,396	2,558	305.3%	20,340	19,189	1667.2%	Favourable YTD variance mainly relates to the Capital Grant received from the State Government for the Fitzroy Depot relocation (initial contribution of \$3.0m). It is expected that the remaining \$14.5m of this Grant funding will be received in the 2018/19 year and has been reflected in the full year forecast. This funding is committed to the Depot relocation and was unknown at the time of Budget adoption. Additionally, \$1.54m Grant funding from State Government for Wellington Street bike lanes is also included in the full year forecast figure. Roads to recovery grants are unfavourable to budget YTD due to the timing of payments received. Grants Commission Local Roads funding 50% received in June 2018 for 2018/19 allocation. Expected to finish in line with budget pending an advance payment being received in June 2019 for 2019/20 financial year. Subsequent to the revised forecast being reviewed, Capital Grant funding of \$1.95m for Ryan's Reserve was received and will be carried forward to the 2019/20 year. This has not been included in the 2018/19 full year forecast. Additional Grant funding of \$400k was also identified subsequent to the review of the revised forecast and is not included in the full year forecast.
Contributions - OSR	4,000	4,000	3,000	4,758	1,758	58.6%	5,000	1,000	25.0%	Open space development contributions received are favourable to budget YTD which is determined by the progress of completion of individual developments. A large contribution was received in March 19 relating to a completed development in Richmond. As a result, full year forecast is expected to be favourable to budget. These funds are committed to be spent on eligible open space projects.
Contributions - Other monetary	369	371	282	551	269	95.4%	418	47	12.7%	Favourable variance relates to developer contributions received through City Works relating to Road maintenance. Amount received varies depending on rectification and maintenance work required as a consequence of development activity.
Net gain/(loss) on disposal	205	205	154	151	(3)	-1.9%	205	-	0.0%	
Other Income	1,561	1,501	1,029	2,560	1,531	148.7%	2,309	808	53.8%	YTD variance primarily relates to favourable interest income from investments received to date; additional program funding income for the Early Years business unit for kindergarten fee subsidy and also property valuation objection charges relating to land tax queries. Full year forecast expected to be favourable to budget.
Total Revenue	187,530	188,675	167,516	177,047	9,531	5.7%	214,322	25,647	13.6%	
Expenses from ordinary activities										
Employee Costs	82,260	82,615	61,685	60,844	841	1.4%	81,376	1,239	1.5%	Favourable YTD variance due to vacant EFT positions not backfilled. EB and backpay payments were made in November which had no budget impact as these amounts were fully provided for, however the cash has been paid out in this financial year. Full year forecast is expected that employee costs will be modestly favourable to budget.
Materials and services	68,740	69,530	47,618	48,130	(512)	-1.1%	72,104	(2,574)	-3.7%	Unfavourable variance YTD is due to the recording of the discounted liability associated with a Council legal settlement for \$3.8M. This is largely offset YTD by favourable contract payments and utility costs.
Bad and doubtful debts	1,980	1,980	1,355	3,379	(2,024)	-149.4%	3,900	(1,920)	-97.0%	Higher parking infringements issued YTD require additional bad debt provision. Full year forecast variance to budget is the result of additional bad debt expense relating to the increase in parking infringements issued, as well as the known recoverability issues stemming from problems with Fines Victoria.
Depreciation & Amortisation	22,432	22,432	16,824	16,811	13	0.1%	22,696	(264)	-1.2%	
Borrowing costs	1,964	1,964	1,473	1,483	(10)	-0.7%	1,964	-	0.0%	
Total Expenses	177,376	178,521	128,955	130,647	(1,692)	-1.3%	182,039	(3,518)	-2.0%	
Net Result	10,154	10,154	38,561	46,400	7,839	20.3%	32,283	22,129	217.9%	

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EFT**

Directorate	Budget 01/07/2018	Current period balance	Movement Fav/(Unfav)
CEO Division			
Permanent	46.3	49.9	(3.6)
Temporary	2.4	5.4	(3.0)
Casual	3.2	2.2	1.0
	51.9	57.4	(5.5)
Corporate, Business & Financial Services			
Permanent	153.1	155.5	(2.4)
Temporary	1.7	-	1.7
Casual	12.8	10.2	2.6
	167.6	165.7	1.9
Community Wellbeing			
Permanent	263.7	267.9	(4.2)
Temporary	4.2	3.1	1.1
Casual	20.8	20.6	0.2
	288.7	291.6	(2.9)
City Works & Assets			
Permanent	210.8	217.5	(6.7)
Temporary	3.0	2.6	0.4
Casual	28.2	26.5	1.7
	242.0	246.6	(4.6)
Planning & Placemaking			
Permanent	83.4	84.8	(1.4)
Temporary	0.6	1.8	(1.2)
Casual	0.2	0.2	-
	84.2	86.8	(2.6)
Total	834.4	848.2	(13.8)

**YARRA CITY COUNCIL
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Debtors**

Rate Debtors Aging (years)	<1 \$'000	1 \$'000	2 \$'000	3+ \$'000	Total \$'000
Commercial	5,110	157	52	18	5,336
FSL - Commercial	1,633	52	20	5	1,710
Industrial	1,790	55	27	9	1,881
FSL - Industrial	777	14	20	5	815
Residential	21,263	1,072	419	601	23,355
FSL - Residential	1,740	95	36	28	1,898
FSL - Public Benefit	20	5	0	-	25
FSL - Vacant	10	1	0	-	11
FSL - Interest	31	12	4	2	49
Legal Fees	31	14	4	19	68
Bridge Road Special Charge	47	1	0	0	48
Garbage & Other	19	3	6	1	29
Sub Total	32,470	1,479	587	688	35,225

Parking Debtors	Balance as at 30/06/18 \$'000	Current period balance \$'000	Movement Inc/(Dec) \$'000	Comments
	5,711	6,097	386	Jul'18-Mar'19 Movement in additional parking infringement debtors raised less payments received and debt provision.

Parking Debtors Aging

Aging (days)	Total	Current	30	60	90+
	6,097	897	434	489	4,277

General/Sundry Debtors	Balance as at 30/06/18 \$'000	Current period balance \$'000	Movement Inc/(Dec) \$'000	Comments
	4,761	3,276	(1,028)	Jul'18-Mar'19 decrease in debtors due to payments received exceeding new 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)	1,127	1,194	25	5	13
Provision for Doubtful Debt (3252)	(784)	-	-	-	(784)
RAMs Debtors (3256) - Property development applications	9,012	2,712	324	207	5,768
Animal Debtors (3257)	(124)	(95)	-	0	29
PLUS Debtors (3258) - Misc. permits for advertising and footpath occupation	28	7	4	-	17
Local Laws Debtors (3259)	87	3	0	1	83
Building Debtors (3261)	1,217	364	44	28	781
Salary Sacrifice (3264)	2	2	-	-	-
Fines and Costs (3265)	1,055	42	27	16	970
Leisure Debtors (3266)	103	3	2	3	95
Child Care Debtors (3267)	726	35	24	61	606
BAGS Control Debtors (3271) - Asset Protection applications	269	4	8	11	247
Bin Debtors (3272)	32	9	1	1	21
CD Debtors (3276) - Construction Development works	96	13	-	-	83
GST Clearing (3249 / 3255)	621	621	-	-	-
WorkCover Wages / Receipts (3230 / 3232) -WorkCover wages claims	190	190	-	-	-
Perin Cheques - Parking (3273)	185	-	-	-	185
S/Total	13,842	5,105	459	333	8,114
Services Contracts (3262) - Asset Protection bonds	(9,952)	(2,996)	(358)	(229)	(6,369)
CD Bonds (3277) - Construction Development bonds	(614)	(192)	-	-	(422)
S/Total	(10,566)	(3,188)	(358)	(229)	(6,791)
Total	3,276	1,917	101	104	1,323

**YARRA CITY COUNCIL
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1 July 2018 to 31 March 2019
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.

	Amount \$'000
Open Space Reserve Account	
Opening Balance as at 30 June 2018	3,517

Funds Received (Transfers to Reserve)	Amount \$'000
32-36 Newry St Rich - 12 lot subdivision	153
306-312 Swan St Rich - 34 lot subdivision	157
63-65 Glass St Rich - 19 lot subdivision	153
6-10 Keele St Coll - 45 lot subdivision	221
672 Nicholson St Fitz - 14 lot subdivision	162
142-144 Johnson St Fitz - 32 lot subdivision	257
9-15 David St Rich - 130 lot subdivision	495
466-482 Smith St Coll - 90 lot subdivision	517
2-4 St Georges Rd Nth Fitz -27 lot subdivision	122
14 Hunter St Rich - 3 lot subdivision	90
802-804 Heidelberg Rd Alph. - 34 lot subdivision	131
73-77 Wellington St Coll - subdivision	600
81 Buckingham St Rich - subdivision	77
216 McKean St Fitz - subdivision	104
243-247 Queens Pde Fitz - subdivision	360
28 Farmer St Richmond - subdivision	92
109 Dight Street Collingwood - subdivision	79
27-41 Appleton st Richmond - subdivision	990
Total	4,760

Projects (transfers from Reserve)	Amount \$'000
Curtain Square works	17
Dame Nellie Melba Memorial Park Irrigation	15
Barkley Gardens - Pathways	6
Burnley Golf Course Shared Trail	3
Collingwood Town Hall Park	7
Darling Gardens Park	42
Edinburgh Gardens Park - Pathway	10
Condell Street Reserve Park - Playground	1
Edinburgh Gardens Park - Playground	159
Gahans Reserve Park - Playground	7
K Bartlett Res - Bastow Soccer 2 Park - Sports	5
K Bartlett Res -Fletcher Soccer 2 Park - Sports	44
K Bartlett Res -Loughnan Oval 2 Park - Sports	30
Burnley Park - Park Irrigation	5
Coate Park Parks - Irrigation	17
Merri Creek Parklands - Hall Reserve Parks - Pathway	17
Merri Cr Linear Reserve (sections) Parks - Horticulture	36
K Bartlett Res -Loughnan Oval 2 Park - Turf	140
Darlin Gardens Park - Park Furniture	30
Yarra Boulevard Park - Park Furniture	1
George Knott Reserve	160
Total	752

	Amount \$'000
Open Space Reserve Account	
Closing Balance as at 31 March 2019	7,525

**YARRA CITY COUNCIL
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Borrowings**

Amount \$m	Lender	Type	Term years	Maturity Date	Balance as at 30/06/18 \$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	12.4	11.5	0.9	YTD repayment - \$0.9M (Next repayment due in May'19).

**YARRA CITY COUNCIL
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Financial Sustainability Indicators**

VAGO Indicators		VAGO Ranges			Commentary
Indicator/Description	Formula	Current Period Result	Low Risk	Medium Risk	High Risk
It should be noted that all Financial sustainability indicators are intended to be measured on an annual basis to ensure an accurate picture is presented.					
Net Result (%)	Net Result / Total Revenue	26%	> 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					
Liquidity (ratio)	Current assets / Current liabilities	3.28	> 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	280%	> 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					
Indebtedness (%)	Non-current liabilities / own-sourced revenue	27%	< 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-					
Capital replacement (ratio)	Cash outflows for property, plant and equipment / Depreciation	0.9	> 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					
Renewal gap (ratio)	Renewal and upgrade expenditure/depreciation	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					

Local Government Performance Reporting Framework Indicators				
Indicator/Description	Measure	2017-18 Result	Current Period Result	Variance
Liquidity				
L1	Current assets compared to current liabilities	196.9%	328.4%	66.8%
L2	Unrestricted cash compared to current liabilities	105.1%	183.9%	74.9%
Obligations				
O1	Asset renewal as a % of depreciation	102.4%	66%	-35.5%
O2	Loans and borrowings as a % of rates	42.7%	40.6%	-5.0%
O3	Loans and borrowings repayments as a % of rates	1.1%	1.8%	62.8%
O4	Non-current liabilities as a % of own source revenue	25.4%	27.5%	8.2%
Operating Position				
OP1	Adjusted underlying surplus (or deficit) as a % of underlying revenue	4.5%	20.7%	363.0%

Commentary
YTD result higher than budget due to Rates being raised in Aug-18. Full year result expected to be in line with budget.
YTD result higher than budget due to timing of cashflows. Full year result expected to be in line with budget.
YTD result impacted by timing in Capital spend. Full year result expected to be in line with budget.
YTD result impacted by timing of revenues from operations. Full year result expected to be in line with budget.
YTD result higher than budget due to timing of Rates being raised in Aug-18. Full year result expected to be in line with budget.

**YARRA CITY COUNCIL
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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	
Property												
Buildings	6,053	7,056	4,917	2,797	2,120	56.9%	7,862	(806)	-11.4%	-	165	YTD variance due to slow start on buildings program, expected to catch up as the year progresses.
Total buildings	6,053	7,056	4,917	2,797	2,120	56.9%	7,862	(806)	-11.4%	-	165	
Total property	6,053	7,056	4,917	2,797	2,120	56.9%	7,862	(806)	-11.4%	-	165	
Plant and equipment												
Plant, Machinery & Equipment	1,205	1,246	836	568	268	38.3%	1,246	-	0.0%	-	-	YTD variance due to delays in timing of replacement purchases for passenger vehicles and trucks.
Computers & Telecommunications	1,935	2,290	2,113	512	1,601	65.2%	2,090	200	8.7%	579	-	YTD variance due to timing of projects, expected to catch up as the year progresses. Also due to delayed invoicing from the vendor regarding the Unified Communications Project which should correct in the coming months.
Total plant and equipment	3,140	3,536	2,949	1,080	1,869	63.4%	3,336	200	8.7%	579	-	
Infrastructure												
Roads	8,538	8,808	4,702	4,736	(34)	-1.2%	8,776	32	0.4%	-	440	Steady progress on projects at this time and many roads projects are expected to be completed as planned with invoicing to come.
Bridges	100	100	100	-	100	0.0%	100	-	0.0%	-	-	
Lanes	930	870	890	674	216	39.1%	735	135	15.5%	-	50	YTD variance due to timing of invoice payments.
Transport	1,187	3,362	951	638	313	38.2%	3,375	(13)	-0.4%	-	-	YTD variance due to timing of invoice payments.
Waste Management	70	70	70	-	70	0.0%	70	-	0.0%	-	-	
Parks, Open Space And Streetscapes	3,563	4,518	3,601	1,692	1,909	52.4%	4,531	(13)	-0.3%	-	-	YTD variance due to an initial delay in a number of contracts going out to tender which has started to be remediated. Contracts have been awarded and expenditure to catch up over the next few months.
Street Furniture	55	55	55	50	5	9.1%	58	(3)	-5.5%	-	-	
Retail Strips	200	200	200	-	200	0.0%	200	-	0.0%	-	-	
Priority Projects	1,049	1,189	1,374	857	517	38.9%	1,204	(15)	-1.3%	-	-	YTD variance due to delays with plant and equipment purchases.
Library Resources	600	610	524	326	198	39.2%	610	-	0.0%	-	-	Library resources projects are expected to occur later in the year.
Total infrastructure	16,292	19,782	12,467	8,973	3,494	28.0%	19,659	123	8.5%	-	490	
Total capital works expenditure	25,485	30,374	20,333	12,850	7,483	36.8%	30,857	(483)	-1.6%	579	655	

Note: Full year adopted budget figure of \$25.485M has been adjusted to incorporate unspent carry over funds of \$2.954M from the 2017/18 Capital Works program. Further movement of \$0.9M in Adjusted Budget YTD primarily due to Ryans Reserve Pavillion and Tennis Court development. Funding of \$1.5M due to be received from Sports Recreation Victoria over the next couple of months.

**YARRA CITY COUNCIL
FINANCIAL REPORT
1 July 2018 to 31 March 2019**

**City of Yarra
Income Statement**

For Period 9 - March

	18/19 CL Actuals YTD \$'000	18/19 CL Bud Adjust YTD \$'000	Actuals vs Budget YTD Variance \$'000	Actuals vs Budget YTD Variance %	18/19 CL Bud Adopted Full Year \$'000	18/19 CL Bud Adjust Full Year \$'000	Current Forecast Full Year \$'000	Budget vs Forecast Full Year Variance \$'000
Revenue from ordinary activities								
Rates and charges	108,335	108,454	(119)	0%	108,936	108,936	108,531	(405)
Statutory fees and fines	23,637	21,831	1,807	8%	29,570	29,870	32,046	2,176
User Fees	23,522	21,783	1,739	8%	28,041	28,969	30,730	1,761
Reimbursements	1,189	985	204	21%	1,360	1,360	1,946	586
Grants - Operating	8,948	9,160	(211)	-2%	12,337	12,312	12,796	484
Grants - Capital	3,396	838	2,558	305%	1,151	1,151	20,340	19,189
Contributions - OSR	4,758	3,000	1,758	59%		4,000	5,000	1,000
Contributions - Other monetary	551	282	269	-20%	4,369	371	418	47
Net gain/(loss) on disposal of property, infrastructure, pla	151	154	(2)	-2%	205	205	205	0
Other Income	2,559	1,029	1,530	149%	1,561	1,501	2,309	808
	<u>177,047</u>	<u>167,516</u>	<u>9,531</u>	<u>6%</u>	<u>187,530</u>	<u>188,675</u>	<u>214,322</u>	<u>25,647</u>
Expenses from ordinary activities								
Employee Costs	60,844	61,685	841	1%	82,260	82,615	81,376	1,239
Materials and services	48,130	47,618	(512)	-1%	68,740	69,530	72,104	(2,574)
Bad and doubtful debts	3,379	1,355	(2,024)	-36%	1,980	1,980	3,900	(1,920)
Depreciation & Amortisation	16,811	16,824	13	0%	22,432	22,432	22,695	(264)
Borrowing costs	1,483	1,473	(10)	-1%	1,964	1,964	1,964	0
	<u>130,647</u>	<u>128,955</u>	<u>(1,692)</u>	<u>-1%</u>	<u>177,376</u>	<u>178,521</u>	<u>182,039</u>	<u>(3,518)</u>
	<u>46,400</u>	<u>38,561</u>	<u>7,839</u>	<u>20%</u>	<u>10,154</u>	<u>10,154</u>	<u>32,283</u>	<u>22,129</u>

**YARRA CITY COUNCIL
FINANCIAL REPORT
1 July 2018 to 31 March 2019
Balance sheet**

	Balance as at 30/06/2018 \$'000	Balance as at period end \$'000	Movement Inc/(Dec) \$'000	Comments
ASSETS				
Current Assets				
Cash and cash equivalents	51,086	75,836	24,750	Change in cash levels mainly due to receipt of rate payments, income grants and parking income over outgoing payments made July18-March19.
Receivables - Rates	5,385	35,225	29,840	Rates for 2018/19 were raised in August 2018 and Receivables reduce with each payment instalment received.
Receivables - Parking	5,711	6,097	386	Jul18-March19 infringement debtors raised less payments and debt provision.
Receivables - Other	4,761	3,276	(1,485)	Jul18-March19 debtors charges raised less payments received.
Accrued income	371	355	(16)	Revenue raised in previous periods has been received in cash
Prepayments	643	23	(620)	Prepayments are expected to expire by the end of the FY and relates to motor vehicle registration and insurance.
Inventories	107	107	-	
Total Current Assets	68,063	120,919	52,856	
Non-Current Assets				
Non-current receivables	230	230	-	
Financial assets	5	5	-	
Property, infrastructure ,plant and equipment	1,906,881	1,902,600	(4,281)	Payments for property, plant & equipment offset by accumulated depreciation.
Total Non-Current Assets	1,907,116	1,902,835	(4,281)	
TOTAL ASSETS	1,975,179	2,023,754	48,575	
LIABILITIES				
Current Liabilities				
Payables	5,411	966	(4,445)	Payments have been made which reduce the payables owing amount. This will vary during the financial year.
Fire Services Levy	5,335	9,100	3,765	Raised at the same time as Rate income. Instalment 3 for 2018/19 is now due and will be paid in April.
Trust funds	5,390	6,212	822	The movement is mainly due to construction management and asset protection bonds received.
Accrued Expenses	3,871	7,615	3,744	Accruals raised for expenditure not yet paid. This will vary during the financial year. Accruals include payroll and utilities.
Employee benefits	13,209	12,626	(583)	The movement is due to leave benefits taken across the Christmas and New year period.
Income in advance	181	-	(181)	The movement is due to income received in advance used in 2018-19
Interest-bearing liabilities	1,176	303	(873)	Payment of loan principal.
Total Current Liabilities	34,574	36,822	2,249	
Non-Current Liabilities				
Non-current employee benefits	1,398	1,319	(79)	
Non-current interest bearing liabilities	43,691	43,691	-	
Non-current Trust Liability	230	235	5	
Total Non-Current Liabilities	45,319	45,245	(74)	
TOTAL LIABILITIES	79,893	82,067	2,174	
NET ASSETS	1,895,287	1,941,687	46,400	
Represented by:				
Accumulated surplus	624,716	620,708	(4,008)	
Asset revaluation reserves	1,246,876	1,246,876	-	
Other reserves	23,696	27,704	4,008	
Retained Earnings	-	46,400	46,400	
EQUITY	1,895,287	1,941,687	46,400	

**YARRA CITY COUNCIL
FINANCIAL REPORT
1 July 2018 to 31 March 2019
Cash Flow Statement**

	Balance as at period end \$'000
Cash Flows from Operating Activities	
Rates and Charges	81,804
Parking Revenue	18,216
Government Grants Received	10,881
Victoria Grants Commission	757
User Charges, Fees and Other Fines Received	29,775
Reimbursements and Contributions Received	(2,104)
Interest Revenue	869
Other Revenue	9,188
Payments to Suppliers	(45,226)
Payments to Employees	(62,271)
Net GST	(284)
Net Cash Provided by Operating Activities	41,605
Cash Flows from Investing Activities	
Proceeds from Sale of Property, Plant & Equipment	196
Payments for Infrastructure, Property Plant & Equipment	(15,076)
Net Cash (Used in) Investing Activities	(14,880)
Cash Flows from/(used in) Financing Activities	
Finance Costs	(1,102)
(Proceeds from Borrowings)/Payments Towards	(873)
Net Cash (Used In) Financing Activities	(1,975)
Cash Balances	
Change in Cash Held	24,750
Cash at beginning of year	51,086
Cash at the End of the Financial Period	75,836
End of year Budgeted cash balance	31,818

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)

Future items to be funded	\$'000
Grant Commission Funding (2018-19 funds received in 2017-18)	1,192
Capital Carry Forwards	3,579
Grants received in 2018-19 for expenditure in 2019-20	3,000
Operating Grant Income Received - to be paid back in 2018-19 (NDIS Funding Target Shortfall)	1,103
Open Space Reserve to be cash backed	7,525
Total	16,399

**YARRA CITY COUNCIL
FINANCIAL REPORT
1 July 2018 to 31 March 2019
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
Property											
Buildings	6,053	7,056	4,917	2,797	2,120	43.1%	7,862	(806)	-11.4%	-	165
Total buildings	6,053	7,056	4,917	2,797	2,120	43.1%	7,862	(806)	-11.4%	(0)	165
Total property	6,053	7,056	4,917	2,797	2,120	43.1%	7,862	(806)	-11.4%	(0)	165
Plant and equipment											
Plant, Machinery & Equipment	1,205	1,246	836	568	268	32.1%	1,246	-	0.0%	-	-
Computers & Telecommunications	1,935	2,290	2,113	512	1,601	75.8%	2,090	200	8.7%	579	-
Total plant and equipment	3,140	3,536	2,949	1,080	1,869	63.4%	3,336	200	5.7%	579	-
Infrastructure											
Roads	8,538	8,808	4,702	4,736	(34)	-0.7%	8,776	32	0.4%	-	440
Bridges	100	100	100	-	100	100.0%	100	-	0.0%	-	-
Lanes	930	870	890	674	216	24.3%	735	135	15.5%	-	50
Transport	1,187	3,362	951	638	313	32.9%	3,375	(13)	-0.4%	-	-
Waste Management	70	70	70	-	70	100.0%	70	-	0.0%	-	-
Parks, Open Space And Streetscapes	3,563	4,518	3,601	1,692	1,909	53.0%	4,531	(13)	-0.3%	-	-
Street Furniture	55	55	55	50	5	9.1%	58	(3)	-5.5%	-	-
Retail Strips	200	200	200	-	200	100.0%	200	-	0.0%	-	-
Priority Projects	1,049	1,189	1,374	857	517	37.6%	1,204	(15)	-1.3%	-	-
Library Resources	600	610	524	326	198	37.8%	610	-	0.0%	-	-
Total infrastructure	16,292	19,782	12,467	8,973	3,494	28.0%	19,659	123	0.6%	0	490
Total capital works expenditure	25,485	30,374	20,333	12,850	7,483	36.8%	30,857	(483)	-1.6%	579	655

Note: Full year adjusted budget figure of \$25.485M has been adjusted to incorporate unspent carry over funds of \$2.954M from the 2017/18 Capital Works program. Further movement of \$0.9M in Adjusted Budget YTD primarily due to Ryans Reserve Pavillion and Tennis Court development. Funding of \$1.5M due to be received from Sports Recreation Victoria over the next couple of months.