



Finance Report

for the period
1 July 2019 to 30 September 2019

**YARRA CITY COUNCIL
FINANCIAL REPORT
1 July 2019 to 30 September 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	112,465	112,465	110,314	110,237	(77)	-0.1%	112,465	-	0.0%
Statutory fees and fines	32,935	32,935	9,117	9,115	(2)	0.0%	32,935	-	0.0%
User Fees	32,330	32,330	8,330	8,106	(224)	-2.7%	32,330	-	0.0%
Reimbursements	1,055	1,055	179	340	161	89.9%	1,055	-	0.0%
Grants - Operating	12,542	12,587	2,885	4,521	1,636	56.7%	12,587	-	0.0%
Grants - Capital	2,433	2,433	608	836	228	37.5%	2,433	-	0.0%
Contributions - OSR	4,300	4,300	1,075	1,538	463	43.1%	4,300	-	0.0%
Contributions - Other monetary	397	397	99	204	105	106.1%	397	-	0.0%
Net gain/(loss) on disposal	180	180	45	15	(30)	-66.7%	180	-	0.0%
Other Income	2,036	2,036	509	546	37	7.2%	2,036	-	0.0%
Total Revenue	200,671	200,716	133,161	135,458	2,297	1.7%	200,716	-	0.0%
Expenses from ordinary activities									
Employee Costs	87,115	87,443	20,668	20,527	141	0.7%	87,443	-	0.0%
Materials and services	73,303	73,719	17,630	16,257	1,373	7.8%	73,719	-	0.0%
Bad and doubtful debts	4,000	4,000	1,199	1,377	(178)	-14.8%	4,000	-	0.0%
Depreciation & Amortisation	22,800	22,800	5,700	5,737	(37)	-0.6%	22,800	-	0.0%
Borrowing costs	2,035	2,035	509	488	21	4.1%	2,035	-	0.0%
Total Expenses	189,253	189,997	45,706	44,386	1,320	2.9%	189,997	-	0.0%
Net Result	11,418	10,719	87,455	91,072	3,617	4.1%	10,719	-	0.0%

Cash Position	Full year Budget Target	Current period Result	Forecast result	VAGO Ranges for Liquidity		
				Low Risk	Medium Risk	High Risk
Liquidity Ratio	2.68	3.87	2.68	> 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	854.3	863.1	863.1
Vacant positions (included in above)		53.3	

Greater detail is included in the EFT section on page 4

Transfers to/from the Open Space Reserve	Balance as at 30/06/2019	Current period balance	Movement Inc/(Dec)	Comments
	\$'000	\$'000	\$'000	
Open Space Reserve	7,799	9,117	1,318	Movement in contributions received less expenditure YTD for 2019/20.

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

Borrowings	Balance as at 30/06/2019	Current period balance	Movement Inc/(Dec)	Comments
	\$m	\$m	\$m	
Total Borrowings	43.7	43.4	(0.3)	Principal repayment of \$0.3M 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	1,716	1,716	429	337	(92)	-21.4%	1,716	-	0.0%
Chief Executive Expense	15,654	15,608	4,465	4,290	175	3.9%	15,608	-	0.0%
Net (Exp)/Rev	(13,939)	(13,892)	(4,036)	(3,953)	83	2.1%	(13,892)	-	0.0%
Corporate, Business and Finance Revenue	152,542	152,542	121,582	122,988	1,406	1.2%	152,542	-	0.0%
Corporate, Business and Finance Expense	59,608	59,710	14,323	14,822	(499)	-3.5%	59,710	-	0.0%
Net (Exp)/Rev	92,934	92,831	107,259	108,166	907	0.8%	92,831	-	0.0%
Planning and Place Making Revenue	7,833	8,182	2,045	2,456	411	20.1%	8,182	-	0.0%
Planning and Place Making Expense	15,050	15,105	3,832	3,925	(93)	-2.4%	15,105	-	0.0%
Net (Exp)/Rev	(7,216)	(6,924)	(1,787)	(1,469)	318	17.8%	(6,924)	-	0.0%
Community Wellbeing Revenue	15,244	15,244	3,926	4,201	275	7.0%	15,244	-	0.0%
Community Wellbeing Expense	36,011	36,296	8,681	8,026	655	7.5%	36,296	-	0.0%
Net (Exp)/Rev	(20,767)	(21,052)	(4,755)	(3,825)	930	19.6%	(21,052)	-	0.0%
City Works and Assets Revenue	23,337	23,033	5,179	5,476	297	5.7%	23,033	-	0.0%
City Works and Assets Expense	62,931	63,278	14,404	13,325	1,079	7.5%	63,278	-	0.0%
Net (Exp)/Rev	(39,595)	(40,245)	(9,225)	(7,849)	1,376	14.9%	(40,245)	-	0.0%
Total Net (Exp)/Rev	11,418	10,719	87,455	91,072	3,617	4.1%	10,719	-	0.0%

Debtors	Balance as at 30/06/19	Current period balance	Movement Inc/(Dec)	Comments
	\$'000	\$'000	\$'000	
Total Debtors	14,797	110,717	95,920	Debtors have increased due to the raising of 2019/20 Rates and FSL. Balance will progressively reduce throughout the year and convert to cash as rate installments are paid.

Greater detail is included in the Debtors section on page 5

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 adjusted budget Net Result has decreased by \$0.7m after adjusting for the impact of carry over items.

**YARRA CITY COUNCIL
FINANCIAL REPORT
1 July 2019 to 30 September 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	112,465	112,465	110,314	110,237	(77)	-0.1%	112,465	-	0.0%	YTD unfavourable variance due to supplementary rate income being behind budget. Expected to finish in line with budget.
Statutory fees and fines	32,935	32,935	9,117	9,115	(2)	0.0%	32,935	-	0.0%	
User Fees	32,330	32,330	8,330	8,106	(224)	-2.7%	32,330	-	0.0%	YTD unfavourable variance due to leisure membership fees being behind budget. Expected to pick up throughout the summer months and finish in line with budget.
Reimbursements	1,055	1,055	179	340	161	89.9%	1,055	-	0.0%	YTD favourable variance due to unbudgeted reimbursements received from contractors for traffic and engineering works to be undertaken, and also reimbursements for resourcing assistance at the former Amcor site.
Grants - Operating	12,542	12,587	2,885	4,521	1,636	56.7%	12,587	-	0.0%	YTD favourable grant income received due to funding received but not yet identified and allocated to the relevant Council program. This variance will likely adjust back to budget when these programs are identified and program budgets appropriately phased.
Grants - Capital	2,433	2,433	608	836	228	37.5%	2,433	-	0.0%	YTD favourable variance due to unbudgeted income received in Traffic and Civil engineering relating to Stage 2 of Wellington Street. This income is to be spent on Wellington Street bike lane Capital works.
Contributions - OSR	4,300	4,300	1,075	1,538	463	43.1%	4,300	-	0.0%	YTD favourable variance due to open space development contributions being ahead of budget which is determined by the progress of completion of individual developments. These funds are committed to be spent on eligible open space projects.
Contributions - Other monetary	397	397	99	204	105	106.1%	397	-	0.0%	YTD 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	180	180	45	15	(30)	-66.7%	180	-	0.0%	
Other Income	2,036	2,036	509	546	37	7.2%	2,036	-	0.0%	
Total Revenue	200,671	200,716	133,161	135,458	2,297	1.7%	200,716	-	0.0%	
Expenses from ordinary activities										
Employee Costs	87,115	87,443	20,668	20,527	141	0.7%	87,443	-	0.0%	YTD favourable variance due to the timing of employee payments and will fluctuate throughout the year. Expected to finish in line with budget.
Materials and services	73,303	73,719	17,630	16,257	1,373	7.8%	73,719	-	0.0%	YTD favourable variance due to the timing of contract payments and utility costs. This variance is likely to unwind throughout the year as these costs are incurred.
Bad and doubtful debts	4,000	4,000	1,199	1,377	(178)	-14.8%	4,000	-	0.0%	YTD unfavourable variance due to a higher doubtful debts percentage being applied to parking infringements in comparison to the budget. The collection issues Council is currently experiencing with Fines Victoria is a key contributing factor here.
Depreciation & Amortisation	22,800	22,800	5,700	5,737	(37)	-0.6%	22,800	-	0.0%	
Borrowing costs	2,035	2,035	509	488	21	4.1%	2,035	-	0.0%	
Total Expenses	189,253	189,997	45,706	44,386	1,320	2.9%	189,997	-	0.0%	
Net Result	11,418	10,719	87,455	91,072	3,617	4.1%	10,719	-	0.0%	

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 adjusted budget Net Result has decreased by \$0.7m after adjusting for the impact of carry over items.

**YARRA CITY COUNCIL
FINANCIAL REPORT
1 July 2019 to 30 September 2019
EFT**

Directorate	Budget 01/07/2019	Current period balance	Movement Fav/(Unfav)
CEO Division			
Permanent	49.9	50.7	(0.8)
Temporary	5.4	7.0	(1.6)
Casual	3.2	1.2	2.0
	58.5	58.8	(0.3)
Corporate, Business & Financial Services			
Permanent	155.5	167.5	(12.0)
Temporary	-	-	-
Casual	10.2	11.2	(1.0)
	165.7	178.7	(13.0)
Community Wellbeing			
Permanent	268.0	265.4	2.6
Temporary	3.1	3.1	(0.0)
Casual	20.6	18.9	1.7
	291.7	287.4	4.3
City Works & Assets			
Permanent	227.7	220.1	7.6
Temporary	3.6	3.6	-
Casual	18.4	25.5	(7.1)
	249.7	249.2	0.5
Planning & Placemaking			
Permanent	85.8	86.8	(1.0)
Temporary	2.8	2.0	0.8
Casual	0.2	0.2	-
	88.8	89.0	(0.2)
Total Permanent	786.9	790.4	(3.5)
Total Temporary	14.9	15.7	(0.8)
Total Casual	52.6	57.0	(4.4)
Total EFT	854.4	863.1	(8.7)

**YARRA CITY COUNCIL
FINANCIAL REPORT
1 July 2019 to 30 September 2019
Debtors**

Rate Debtors					
Aging (years)	<1 \$'000	1 \$'000	2 \$'000	3+ \$'000	Total \$'000
Commercial	16,550	315	74	40	16,979
FSL - Commercial	4,940	111	25	14	5,090
Industrial	5,223	84	28	17	5,352
FSL - Industrial	2,305	24	25	14	2,368
Residential	59,729	1,773	624	851	62,977
FSL - Residential	5,067	144	57	49	5,317
FSL - Public Benefit	41	5	4	-	50
FSL - Vacant	30	1	-	-	31
FSL - Interest	5	19	7	5	36
Legal Fees	77	22	3	15	117
Bridge Road Special Charge	121	2	-	-	123
Garbage & Other	39	7	1	7	54
Sub Total	94,127	2,507	848	1,012	98,494

Parking Debtors	Balance as at 30/06/19 \$'000	Current period balance \$'000	Movement Inc/(Dec) \$'000	Comments
	4,867	5,739	872	Jul'19-Sep'19 Movement in additional parking infringement debtors raised less payments received and debt provision.

Parking Debtors Aging

Aging (days)	Total	Current	30	60	90+
	5,739	800	433	428	4,078

General/Sundry Debtors	Balance as at 30/06/19 \$'000	Current period balance \$'000	Movement Inc/(Dec) \$'000	Comments
	528	518	(10)	Jul'19-Sep'19 debtors balance is consistent with prior year. 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)	1,404	788	331	175	110
Provision for Doubtful Debt (3252)	(744)	-	-	-	(744)
RAMs Debtors (3256) - Property development applications	10,418	3,947	333	213	5,925
Animal Debtors (3257)	4	1	1	-	2
PLUS Debtors (3258) - Misc. permits for advertising and footpath occupation	322	316	1	1	4
Local Laws Debtors (3259)	105	16	0	1	88
Building Debtors (3261)	1,453	571	45	29	807
Salary Sacrifice (3264)	9	9	-	-	-
Fines and Costs (3265)	1,276	128	113	119	916
Child Care Debtors (3267)	-	-	-	-	-
BAGS Control Debtors (3271) - Asset Protection applications	45	-	-	-	45
Bin Debtors (3272)	38	15	1	1	21
CD Debtors (3276) - Construction Development works	2,033	1,686	-	-	347
GST Clearing (3249 / 3255)	1,864	1,864	-	-	-
WorkCover Wages / Receipts (3230 / 3232) - WorkCover wages claims	22	22	-	-	-
Perin Cheques - Parking (3273)	235	-	-	-	235
S/Total	18,484	9,363	826	538	7,756
Services Contracts (3262) - Asset Protection bonds	(11,389)	(4,284)	(366)	(234)	(6,506)
CD Bonds (3277) - Construction Development bonds	(610)	(610)	-	-	-
S/Total	(11,999)	(4,894)	(366)	(234)	(6,506)
Total	6,484	4,469	460	305	1,250

**YARRA CITY COUNCIL
FINANCIAL REPORT
1 July 2019 to 30 September 2019
Open Space Reserve**

Council receives contributions specifically for Open Space as part of development permits. This reserve is then expended on eligible 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 2019	7,799

Funds Received (Transfers to Reserve)	Amount \$'000
19-21 Judd Street Richmond - 30 lot subdivision	176
487-489 Nicholson Street Carlton North	49
61-69 William Street Abbotsford	495
110 Leicester Street Fitzroy	167
223 Napier Street Fitzroy	140
15-21 Derby Street Collingwood	337
Total	1,364

Projects (transfers from Reserve)	Amount \$'000
Condell Street Reserve	46
Total	46

	Amount \$'000
Open Space Reserve Account	
Closing Balance as at 30 September 2019	9,117

**YARRA CITY COUNCIL
FINANCIAL REPORT
1 July 2019 to 30 September 2019
Borrowings**

Amount \$m	Lender	Type	Term years	Maturity Date	Balance as at 30/06/19 \$m	Current period balance \$m	Movement Inc/(Dec)	Comments
\$32.5M	NAB	Interest only	7	2021	32.5	32.5	-	Interest only
\$13.5M	CBA	P&I	10	2027	11.2	10.9	(0.3)	YTD repayment - \$0.3M (Next repayment due in Nov'19).
					43.7	43.4	(0.3)	

**YARRA CITY COUNCIL
FINANCIAL REPORT
1 July 2019 to 30 September 2019
Financial Sustainability Indicators**

VAGO Indicators		Current Period Result	VAGO Ranges			Commentary
Indicator/Description	Formula		Low Risk	Medium Risk	High Risk	
Net Result (%)	Net Result / Total Revenue	67%	> 0%	-10% - 0%	< -10%	<p>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.</p> <p>YTD result ahead of budget due to the annual rates being raised in Aug19. Final result expected to be in line with budget placing Council in the Low Risk range.</p>
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	3.87	> 1.0	0.75 - 1.0	< 0.75	<p>YTD result ahead of budget due to the annual rates being raised in Aug19. Final result expected to be in line with budget placing Council in the Low Risk range.</p>
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	442%	> 100%	75% - 100%	< 75%	<p>YTD result well ahead of budget due to net operating cashflows significantly higher than capital works. This is the result of cashflow from rates starting to flow in. Final result expected to be in line with budget placing Council in Low Risk range.</p>
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	34%	< 40%	40% - 60%	> 60%	<p>Full year result expected to be more favourable than YTD result as Council continues to generate revenue from operations in line with budget. Low Risk range expected.</p>
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.						
Capital replacement (ratio)	Cash outflows for property, plant and equipment / Depreciation	0.7	>1.5	1.0 - 1.5	< 1.0	<p>Full year result expected to be more favourable than YTD result as Capital spend continues to pick up throughout the year. Medium Risk range expected.</p>
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	0.3	>1.0	0.5 - 1.0	<0.5	<p>Full year result expected to be more favourable than YTD result as Capital spend continues to pick up throughout the year. Low Risk range expected.</p>
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	2018-19 Result	Current Period Result	Variance
Liquidity				
L1	Current assets compared to current liabilities	282.2%	387.3%	37.2%
L2	Unrestricted cash compared to current liabilities	183.5%	318.3%	73.5%
Obligations				
O1	Asset renewal as a % of depreciation	96.1%	11%	-88.2%
O2	Loans and borrowings as a % of rates	40.3%	39.4%	-2.3%
O3	Loans and borrowings repayments as a % of rates	1.1%	0.7%	-40.6%
O4	Non-current liabilities as a % of own source revenue	26.4%	33.7%	27.8%
Operating Position				
OP1	Adjusted underlying surplus (or deficit) as a % of underlying revenue	8.4%	65.9%	686.2%

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
FINANCIAL REPORT
1 July 2019 to 30 September 2019
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	12,485	13,211	2,691	1,142	1,549	42.4%	13,214	(3)	0.0%	-	-	YTD variance due to slow start on buildings program which is a historical trend, expected to catch up as the year progresses.
Total buildings	12,485	13,211	2,691	1,142	1,549	42.4%	13,214	(3)	0.0%	-	-	
Total property	12,485	13,211	2,691	1,142	1,549	42.4%	13,214	(3)	0.0%	-	-	
Plant and equipment												
Plant, Machinery & Equipment	1,902	1,902	309	89	220	38.3%	1,902	-	0.0%	-	-	YTD variance due to the timing of passenger car purchases being behind budget. Expected to finish in line with budget.
Computers & Telecommunications	2,703	2,820	337	69	268	79.5%	2,820	-	0.0%	-	-	YTD variance due to timing of payments for software and network infrastructure, now expected later than budgeted.
Total plant and equipment	4,605	4,722	646	158	488	75.5%	4,722	-	0.0%	-	-	
Infrastructure												
Roads	9,268	9,388	915	828	87	9.5%	9,297	91	1.0%	-	-	
Bridges	93	93	-	-	-	0.0%	93	-	0.0%	-	-	
Lanes	1,099	1,099	412	389	23	5.6%	1,107	(8)	-0.7%	-	-	
Transport	3,507	4,661	1,037	882	155	14.9%	4,661	-	0.0%	-	-	YTD variance due to work on Wellington Street bike lanes being further advanced than budget. This is partially offset by works on the LATM's being behind budget.
Waste Management	70	70	-	-	-	0.0%	70	-	0.0%	-	-	
Parks, Open Space And Streetscapes	4,000	4,119	217	298	(81)	-37.3%	4,208	(89)	-2.2%	-	-	YTD variance due to invoices for spend on Fairfield Park and Kevin Bartlett reserve for the year yet to be received.
Street Furniture	270	270	-	3	(3)	0.0%	270	-	0.0%	-	-	
Retail Strips	200	200	-	-	-	0.0%	200	-	0.0%	-	-	
Priority Projects	971	971	205	62	143	69.8%	971	-	0.0%	-	-	YTD variance due to work on Bridge road activity centre yet to commence.
Library Resources	690	724	151	47	104	68.9%	724	-	0.0%	-	-	YTD variance due to timing of purchases. Expected to finish in line with budget.
Total infrastructure	20,168	21,595	2,937	2,509	428	14.6%	21,601	(6)	-1.9%	-	-	
Total capital works expenditure	37,258	39,528	6,274	3,809	2,465	39.3%	39,537	(9)	0.0%	-	-	

Note: Full year adopted budget figure of \$31.244M has been adjusted to incorporate unspent carry over funds of \$6.014M from the 2018/19 Capital Works program. Further movement of \$2.3M in Adjusted Budget YTD primarily due to Malcolm Graham Pavillion and the Blackspots Improvement project for which Federal Government funding is to be received.

**YARRA CITY COUNCIL
FINANCIAL REPORT
1 July 2019 to 30 September 2019**

**City of Yarra
Income Statement**

For Period 03 - September

	19/20 CL Actuals YTD \$'000	19/20 CL Bud Adjust YTD \$'000	Actuals vs Budget YTD Variance \$'000	Actuals vs Budget YTD Variance %	19/20 CL Bud Adopted Full Year \$'000	19/20 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	110,237	110,314	(77)	0%	112,465	112,465	112,465	0
Statutory fees and fines	9,115	9,117	(2)	0%	32,935	32,935	32,935	0
User Fees	8,106	8,330	(224)	-3%	32,330	32,330	32,330	0
Reimbursements	340	179	161	90%	1,055	1,055	1,055	0
Grants - Operating	4,521	2,885	1,636	57%	12,542	12,587	12,587	0
Grants - Capital	836	608	228	38%	2,433	2,433	2,433	0
Contributions - OSR	1,538	1,075	463	43%	4,300	4,300	4,300	0
Contributions - Other monetary	204	99	105	106%	397	397	397	0
Net gain/(loss) on disposal of property, infrastructure, pla	15	45	(30)	-66%	180	180	180	0
Other Income	545	509	36	7%	2,036	2,036	2,036	0
	135,458	133,161	2,297	2%	200,671	200,716	200,716	0
Expenses from ordinary activities								
Employee Costs	20,527	20,668	141	1%	87,115	87,443	87,443	0
Materials and services	16,256	17,630	1,374	8%	73,303	73,719	73,719	0
Bad and doubtful debts	1,377	1,199	(178)	-15%	4,000	4,000	4,000	0
Depreciation & Amortisation	5,737	5,700	(37)	-1%	22,800	22,800	22,800	0
Borrowing costs	488	509	21	4%	2,035	2,035	2,035	0
	44,386	45,706	1,320	3%	189,253	189,997	189,997	0
	91,072	87,455	3,617	4%	11,418	10,719	10,719	0

**YARRA CITY COUNCIL
FINANCIAL REPORT
1 July 2019 to 30 September 2019
Balance sheet**

	Balance as at 30/06/2019 \$'000	Balance as at period end \$'000	Movement Inc/(Dec) \$'000	Comments
ASSETS				
Current Assets				
Cash and cash equivalents	87,653	99,563	11,910	Change in cash levels due to first instalment of rates for 2019/20 being received during the month.
Receivables - Rates	5,561	98,494	92,933	Rates for 2019/20 were raised in August 2019 and Receivables reduce with each payment instalment received.
Receivables - Parking	4,867	5,739	872	Jul19 - Sep19 infringement debtors raised less payments and debt provision.
Receivables - Other	4,369	6,484	2,115	Movement due to increase in construction and development works.
Accrued income	58	244	186	Accrued income relates to interest income that will be received in cash when term deposits mature.
Prepayments	562	-	(562)	
Inventories	129	129	-	
Assets Held for Resale	-	-	-	
Total Current Assets	103,199	210,653	107,454	
Non-Current Assets				
Non-current receivables	230	230	-	
Financial assets	5	5	-	
Property, infrastructure, plant and equipment	1,984,061	1,982,349	(1,712)	Depreciation expense for PPE YTD.
Total Non-Current Assets	1,984,296	1,982,584	(1,712)	
TOTAL ASSETS	2,087,495	2,193,237	105,742	
LIABILITIES				
Current Liabilities				
Payables	7,999	6,935	(1,064)	Payments have been made which reduce the payables owing amount. This will vary during the financial year. Large amount payable in relation to FSL at the end of September.
Fire Services Levy	5,563	17,502	11,939	Raised at the same time as Rate income and payments made quarterly to SRO.
Trust funds	6,735	8,791	2,056	The movement is mainly due to construction management and asset protection bonds received.
Accrued Expenses	4,730	5,869	1,139	Accruals raised for expenditure not yet paid. This will vary during the financial year. Accruals include contract payments and utilities.
Employee benefits	13,158	13,885	727	The movement is due to leave accrued exceeding leave taken YTD. Balance will likely reduce across the Christmas and New Year period.
Income in advance	157	186	29	
Interest-bearing liabilities	1,218	1,218	-	
Total Current Liabilities	39,560	54,386	14,826	
Non-Current Liabilities				
Non-current employee benefits	1,393	1,492	99	
Non-current interest bearing liabilities	42,473	42,172	(301)	Repayment of loan principal.
Non-current Trust Liability	237	239	2	
Total Non-Current Liabilities	44,103	43,903	(200)	
TOTAL LIABILITIES	83,663	98,289	14,626	
NET ASSETS	2,003,833	2,094,948	91,116	
Represented by:				
Accumulated surplus	666,415	665,139	(1,276)	
Asset revaluation reserves	1,329,540	1,329,540	-	
Other reserves	7,878	9,197	1,319	Open space contributions for the year less transfers out.
Retained Earnings	-	91,072	91,072	Net result for the year YTD.
EQUITY	2,003,833	2,094,948	91,116	

**YARRA CITY COUNCIL
FINANCIAL REPORT
1 July 2019 to 30 September 2019
Cash Flow Statement**

	Balance as at period end \$'000
Cash Flows from Operating Activities	
Rates and Charges	29,155
Parking Revenue	6,278
Government Grants Received	4,145
Victoria Grants Commission	-
User Charges, Fees and Other Fines Received	10,038
Reimbursements and Contributions Received	83
Interest Revenue	169
Other Revenue	2,702
Payments to Suppliers	(20,735)
Payments to Employees	(15,699)
Net GST	210
Net Cash Provided by Operating Activities	16,345
Cash Flows from Investing Activities	
Proceeds from Sale of Property, Plant & Equipment	48
Payments for Infrastructure, Property Plant & Equipment	(3,748)
Net Cash (Used in) Investing Activities	(3,700)
Cash Flows from/(used in) Financing Activities	
Finance Costs	(628)
(Proceeds from Borrowings)/Payments Towards	(107)
Net Cash (Used In) Financing Activities	(735)
Cash Balances	
Change in Cash Held	11,910
Cash at beginning of year	87,653
Cash at the End of the Financial Period	99,563
End of year Budgeted cash balance	78,531

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 (2019-20 funds received in 2018-19)	1,000
Capital Carry Forwards	6,000
Depot Relocation Grant Funding	16,700
Other Capital Grants	2,500
Operating grant carry overs	700
Operating Grant Income Received - to be paid back in 2019-20 (NDIS Funding Target Shortfall)	1,500
Open Space Reserve to be cash backed	9,117
Total	37,517

**YARRA CITY COUNCIL
FINANCIAL REPORT
1 July 2019 to 30 September 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	12,485	13,211	2,691	1,142	1,549	57.6%	13,214	(3)	0.0%	-	-
Total Property	12,485	13,211	2,691	1,142	1,549	57.6%	13,214	(3)	0.0%	-	-
Plant and equipment											
Plant, Machinery & Equipment	1,902	1,902	309	89	220	71.2%	1,902	-	0.0%	-	-
Computers & Telecommunications	2,703	2,820	337	69	268	79.5%	2,820	-	0.0%	-	-
Total plant and equipment	4,605	4,722	646	158	488	75.5%	4,722	-	0.0%	-	-
Infrastructure											
Roads	9,268	9,388	915	828	87	9.5%	9,297	91	1.0%	-	-
Bridges	93	93	-	-	-	0.0%	93	-	0.0%	-	-
Lanes	1,099	1,099	412	389	23	5.6%	1,107	(8)	-0.7%	-	-
Transport	3,507	4,661	1,037	882	155	14.9%	4,661	-	0.0%	-	-
Waste Management	70	70	-	-	-	0.0%	70	-	0.0%	-	-
Parks, Open Space And Streetscapes	4,000	4,119	217	298	(81)	-37.3%	4,208	(89)	-2.2%	-	-
Street Furniture	270	270	-	3	(3)	0.0%	270	-	0.0%	-	-
Retail Strips	200	200	-	-	-	0.0%	200	-	0.0%	-	-
Priority Projects	971	971	205	62	143	69.8%	971	-	0.0%	-	-
Library Resources	690	724	151	47	104	68.9%	724	-	0.0%	-	-
Total infrastructure	20,168	21,595	2,937	2,509	428	14.6%	21,601	(6)	0.0%	-	-
Total capital works expenditure	37,258	39,528	6,274	3,809	2,465	39.3%	39,537	(9)	0.0%	-	-

Note: Full year adopted budget figure of \$31.244M has been adjusted to incorporate unspent carry over funds of \$6.014M from the 2018/19 Capital Works program. Further movement of \$2.3M in Adjusted Budget YTD primarily due to Malcolm Graham Pavillion and the Blackspots Improvement project for which Federal Government funding is to be received.