



Finance Report

**for the period
1 July 2020 to 30 September 2020**

**YARRA CITY COUNCIL
FINANCIAL REPORT
1 July 2020 to 30 September 2020
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	115,869	115,869	115,211	115,396	185	0.2%	115,869	-	0.0%
Statutory fees and fines	25,454	25,454	7,086	2,392	(4,694)	-66.2%	25,454	-	0.0%
User Fees	25,427	25,427	5,555	3,820	(1,735)	-31.2%	25,427	-	0.0%
Reimbursements	1,074	1,074	362	278	(84)	-23.2%	1,074	-	0.0%
Grants - Operating	14,399	14,399	3,418	4,007	589	17.2%	14,399	-	0.0%
Grants - Capital	4,169	4,169	49	133	84	171.4%	4,169	-	0.0%
Contributions - OSR	4,500	4,500	285	45	(240)	-84.2%	4,500	-	0.0%
Contributions - Other monetary	1,156	1,156	127	290	163	128.3%	1,156	-	0.0%
Net gain/(loss) on disposal	160	160	40	-	(40)	-100.0%	160	-	0.0%
Other Income	1,204	1,204	175	2,668	2,493	1424.6%	1,204	-	0.0%
Total Revenue	193,412	193,412	132,308	129,029	(3,279)	-2.5%	193,412	-	0.0%
Expenses from ordinary activities									
Employee Costs	90,028	90,028	23,986	23,659	327	1.4%	90,028	-	0.0%
Materials and services	75,663	75,663	19,160	15,797	3,363	17.6%	75,663	-	0.0%
Bad and doubtful debts	5,000	5,000	1,250	409	841	67.3%	5,000	-	0.0%
Depreciation	23,800	23,800	5,950	5,807	143	2.4%	23,800	-	0.0%
Amortisation - right of use assets	880	880	220	263	(43)	-19.5%	880	-	0.0%
Borrowing costs	1,867	1,867	473	475	(2)	-0.4%	1,867	-	0.0%
Interest Expenses - Leases	118	118	30	35	(5)	-16.7%	118	-	0.0%
Total Expenses	197,356	197,356	51,069	46,445	4,624	9.1%	197,356	-	0.0%
Net Result	(3,944)	(3,944)	81,239	82,584	1,345	1.7%	(3,944)	-	0.0%

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)
	\$'000	\$'000	\$'000	\$'000	\$'000	%	\$'000	\$'000	%
Chief Executive Revenue	1,940	1,514	429	210	(219)	-51.0%	1,514	-	0.0%
Chief Executive Expense	13,205	13,924	3,929	4,775	(846)	-21.5%	13,924	-	0.0%
Net (Exp)/Rev	(11,265)	(12,410)	(3,500)	(4,565)	(1,065)	-30.4%	(12,410)	-	0.0%
Corporate, Business and Finance Revenue	151,546	148,008	122,654	120,877	(1,777)	-1.4%	148,008	-	0.0%
Corporate, Business and Finance Expense	66,114	63,383	17,243	15,187	2,056	11.9%	63,297	86	0.1%
Net (Exp)/Rev	85,432	84,625	105,411	105,690	279	0.3%	84,711	86	0.1%
Planning and Place Making Revenue	8,431	7,758	1,165	1,144	(21)	-1.8%	7,758	-	0.0%
Planning and Place Making Expense	16,524	16,428	4,446	4,452	(6)	-0.1%	16,428	-	0.0%
Net (Exp)/Rev	(8,093)	(8,670)	(3,281)	(3,308)	(27)	-0.8%	(8,670)	-	0.0%
Community Wellbeing Revenue	15,226	15,478	3,662	3,811	149	4.1%	15,478	-	0.0%
Community Wellbeing Expense	39,665	39,240	9,838	7,961	1,877	19.1%	39,326	(86)	-0.2%
Net (Exp)/Rev	(24,439)	(23,762)	(6,176)	(4,150)	2,026	32.8%	(23,848)	(86)	-0.4%
City Works and Assets Revenue	16,269	20,655	4,398	2,985	(1,413)	-32.1%	20,655	-	0.0%
City Works and Assets Expense	61,849	64,382	15,613	14,070	1,543	9.9%	64,382	-	0.0%
Net (Exp)/Rev	(45,580)	(43,727)	(11,215)	(11,085)	130	1.2%	(43,727)	-	0.0%
Total Net (Exp)/Rev	(3,944)	(3,944)	81,239	82,584	1,345	1.7%	(3,944)	-	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

VAGO Ranges for Liquidity

Cash Position	Full year Budget Target	Current period Result	Forecast result	Low Risk	Medium Risk	High Risk
Liquidity Ratio	2.68	3.85	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	866	891.4	891.4
Vacant positions (included in above)		60.5	

Greater detail is included in the EFT section on page 4

Transfers to/from the Open Space Reserve	Balance as at 30/06/2020 \$'000	Current period balance \$'000	Movement Inc/(Dec) \$'000	Comments
Open Space Reserve	14,766	14,808	42	Movement in contributions received less expenditure YTD for 2020/21.

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

Borrowings	Balance as at 30/06/2020 \$m	Current period balance \$m	Movement Inc/(Dec) \$m	Comments
Total Borrowings	42.5	42.2	(0.3)	Principal repayment of \$0.3M YTD

Greater detail is included in the Borrowings section on page 7

Debtors	Balance as at 30/06/2020 \$'000	Current period balance \$'000	Movement Inc/(Dec) \$'000	Comments
Total Debtors	21,621	129,558	107,937	Debtors have increased due to the raising of 2020/21 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

**YARRA CITY COUNCIL
FINANCIAL REPORT**

1 July 2020 to 30 September 2020

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	115,869	115,869	115,211	115,396	185	0.2%	115,869	-	0.0%	YTD favourable variance to budget primarily due to higher than budgeted supplementary rate income at this point of the year.
Statutory fees and fines	25,454	25,454	7,086	2,392	(4,694)	-66.2%	25,454	-	0.0%	YTD unfavourable variance to budget due to a decline in parking activity as a result of the COVID-19 pandemic. There has been lower income received from parking meters and a reduction in the number of infringements issued.
User Fees	25,427	25,427	5,555	3,820	(1,735)	-31.2%	25,427	-	0.0%	YTD unfavourable variance to budget mostly attributable to the impact of reduced fee income from childcare and recreation and leisure (including Burnley Golf Course), which is a result of mandatory facility closures in response to the COVID-19 pandemic.
Reimbursements	1,074	1,074	362	278	(84)	-23.2%	1,074	-	0.0%	YTD unfavourable variance to budget mainly due to traffic and engineering works reimbursement being behind budget.
Grants - Operating	14,399	14,399	3,418	4,007	589	17.2%	14,399	-	0.0%	YTD favourable variance to budget mostly attributable to a unbudgeted grants received for community safety, glass bin rollout and kindergarten support activities.
Grants - Capital	4,169	4,169	49	133	84	171.4%	4,169	-	0.0%	YTD favourable variance to budget is due to an unbudgeted grant received for the Ramsden Reserve Stormwater Harvesting project.
Contributions - OSR	4,500	4,500	285	45	(240)	-84.2%	4,500	-	0.0%	YTD unfavourable variance to budget is due to open space development contributions being behind budget. This is determined by the progress completion of individual developments and funds are committed to be spent on eligible open space projects.
Contributions - Other monetary	1,156	1,156	127	290	163	128.3%	1,156	-	0.0%	YTD favourable variance to budget relates to unbudgeted contributions received for street tree planting and maintenance works.
Net gain/(loss) on disposal	160	160	40	-	(40)	-100.0%	160	-	0.0%	
Other Income	1,204	1,204	175	2,668	2,493	1424.6%	1,204	-	0.0%	YTD favourable variance to budget is primarily due to a unbudgeted revenue received from the discontinuance of the road abutting 53-77 Burnley Street.
Total Revenue	193,412	193,412	132,308	129,029	(3,279)	-2.5%	193,412	-	0.0%	
Expenses from ordinary activities										
Employee Costs	90,028	90,028	23,986	23,659	327	1.4%	90,028	-	0.0%	YTD favourable variance to budget is due to a number of vacant positions across the organisation, the impact of facility closures and the impact of salary increments taking effect from 1 September 2020. These favourable variances are partially offset by an increase in leave entitlements due to leave taken being below budgeted levels.
Materials and services	75,663	75,663	19,160	15,797	3,363	17.6%	75,663	-	0.0%	YTD favourable variance to budget is mainly due to delays in the timing of some contract payments; legal and consulting works expected to incurred later than budget. This variance is likely to reduce throughout the course of the year as these costs are incurred.
Bad and doubtful debts	5,000	5,000	1,250	409	841	67.3%	5,000	-	0.0%	YTD favourable variance to budget is due to the impact of the COVID-19 pandemic on the number of parking infringements being issued. This has resulted in a reduction in expected doubtful debts expense.
Depreciation	23,800	23,800	5,950	5,807	143	2.4%	23,800	-	0.0%	YTD favourable variance to budget driven by a reduction in the fair value of depreciable assets that occurred at June 2020. As a result, the depreciable asset base for 2020/21 is lower than budgeted, resulting in lower than anticipated depreciation expense.
Amortisation - right of use assets	880	880	220	263	(43)	-19.5%	880	-	0.0%	
Borrowing costs	1,867	1,867	473	475	(2)	-0.4%	1,867	-	0.0%	
Interest Exp - Leases	118	118	30	35	(5)	-16.7%	118	-	0.0%	
Total Expenses	197,356	197,356	51,069	46,445	4,624	9.1%	197,356	-	0.0%	
Net Result	(3,944)	(3,944)	81,239	82,584	1,345	1.7%	(3,944)	-	0.0%	

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**YARRA CITY COUNCIL
FINANCIAL REPORT
1 July 2020 to 30 September 2020
EFT**

Directorate	Full Year Adopted Budget	Current period balance	Movement Fav/(Unfav)
CEO Division			
Permanent	49.5	56.1	(6.6)
Temporary	6.0	5.8	0.2
Casual	3.0	1.2	1.8
	58.5	63.1	(4.6)
Corporate, Business & Financial Services			
Permanent	168.5	163.8	4.7
Temporary	-	3.0	(3.0)
Casual	11.3	11.3	(0.0)
	179.8	178.1	1.7
Community Wellbeing			
Permanent	262.6	277.3	(14.7)
Temporary	3.3	1.7	1.6
Casual	23.8	20.0	3.8
	289.7	299.1	(9.4)
City Works & Assets			
Permanent	213.8	219.5	(5.7)
Temporary	0.6	4.6	(4.0)
Casual	32.2	30.3	1.9
	246.6	254.4	(7.8)
Planning & Placemaking			
Permanent	87.8	91.6	(3.8)
Temporary	3.0	4.4	(1.4)
Casual	0.6	0.8	(0.2)
	91.4	96.8	(5.4)
Total Permanent	782.2	808.3	(26.1)
Total Temporary	12.9	19.5	(6.6)
Total Casual	70.9	63.6	7.3
Total EFT	866.0	891.4	(25.4)

**YARRA CITY COUNCIL
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1 July 2020 to 30 September 2020
Debtors**

Rate Debtors Aging (years)	<1 \$'000	1 \$'000	2 \$'000	3+ \$'000	Total \$'000
Commercial	19,946	1,181	111	64	21,303
FSL - Commercial	6,729	457	36	22	7,245
Industrial	5,808	282	24	16	6,129
FSL - Industrial	2,721	80	36	22	2,859
Residential	67,293	3,525	899	1,131	72,849
FSL - Residential	5,411	283	70	73	5,837
FSL - Public Benefit	83	1	4	1	89
FSL - Vacant	45	4	1	1	50
FSL - Interest	-	35	11	9	55
Legal Fees	4	37	15	11	68
Bridge Road Special Charge	124	7	0	0	132
Garbage & Other	29	6	1	1	37
Prepayments	(81)	(82)	(38)	(22)	(223)
Sub Total	108,114	5,816	1,171	1,330	116,431

Parking Debtors	Balance as at 30/06/2020 \$'000	Current period balance \$'000	Movement Inc/(Dec) \$'000	Comments
	3,809	3,131	(678)	Movement in additional parking infringement debtors raised less payments received and debt provision.

Parking Debtors Aging

Aging (days)	Total	Current	30	60	90+
	3,131	139	97	290	2,605

General/Sundry Debtors	Balance as at 30/06/2020 \$'000	Current period balance \$'000	Movement Inc/(Dec) \$'000	Comments
	2,144	4,112	1,969	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)	5,158	3,166	105	80	1,807
Provision for Doubtful Debt (3252)	(1,046)	(1,046)	-	-	-
RAMs Debtors (3256) - Property development applications	1,061	137	448	43	433
Animal Debtors (3257)	26	(1)	0	-	26
PLUS Debtors (3258) - Misc. permits for advertising and footpath occupation	(1)	(3)	0	-	1
Local Laws Debtors (3259)	86	-	(3)	0	89
Salary Sacrifice (3264)	1	1	-	-	-
Fines and Costs (3265)	1,492	1,492	-	-	-
BAGS Control Debtors (3271) - Asset Protection applications	1,868	(23)	27	65	1,799
MCC Superannuation (3222)	(3)	(3)	-	-	-
GST Clearing (3249 / 3255)	913	913	-	-	-
WorkCover Wages / Receipts (3230 / 3232) - WorkCover wages claims	13	13	-	-	-
Perin Cheques - Parking (3273)	428	428	-	-	-
S/Total	9,995	5,074	577	187	4,157

**YARRA CITY COUNCIL
FINANCIAL REPORT
1 July 2020 to 30 September 2020
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.

Open Space Reserve Account	Amount \$'000
Opening Balance as at 30 June 2020	14,766

Funds Received (Transfers to Reserve)	Amount \$'000
72 Regent St Richmond	45
Total	45

Projects (transfers from Reserve)	Amount \$'000
King William St	3
Total	3

Open Space Reserve Account	Amount \$'000
Closing balance as at September	14,808

**YARRA CITY COUNCIL
FINANCIAL REPORT
1 July 2020 to 30 September 2020
Borrowings**

Amount \$m	Lender	Type	Term years	Maturity Date	Balance as at 30/06/2020 \$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	10.0	9.7	(0.3)	YTD repayments made (approx \$300k per quarter)
					42.5	42.2	(0.3)	

**YARRA CITY COUNCIL
FINANCIAL REPORT
1 July 2020 to 30 September 2020
Financial Sustainability Indicators**

VAGO Indicators			VAGO Ranges			Commentary
Indicator/Description	Formula	Current Period Result	Low Risk	Medium Risk	High Risk	
Net Result (%)	Net Result / Total Revenue	64%	> 0%	-10% - 0%	< -10%	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. YTD result ahead of budget due to the annual rates being raised in Aug 20. Final result expected to be in line with budget placing Council in the Low Risk range.
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	3.85	> 1.0	0.75 - 1.0	< 0.75	YTD result ahead of budget due to the annual rates being raised in Aug 20. Final result expected to be in line with budget placing Council in the Low Risk range.
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	-145%	> 100%	75% - 100%	< 75%	YTD result behind well budget due to net operating cash flows being in deficit as expected at this point of the year as cashflow from rates is yet to start coming in. Final result expected to be in line with budget placing Council in Low Risk range.
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	38%	< 40%	40% - 60%	> 60%	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.
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	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.
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	0.4	> 1.0	0.5 - 1.0	< 0.5	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.
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						

Local Government Performance Reporting Framework Indicators				
Indicator/Description	Measure	2019-20 Result	Current Period Result	Variance
Liquidity				
L1	Current assets compared to current liabilities	246.6%	384.6%	56.0%
L2	Unrestricted cash compared to current liabilities	84.1%	306.0%	263.7%
Obligations				
O1	Asset renewal as a % of depreciation	121.0%	45%	-62.9%
O2	Loans and borrowings as a % of rates	37.9%	36.5%	-3.5%
O3	Loans and borrowings repayments as a % of rates	2.8%	0.6%	-78.8%
O4	Non-current liabilities as a % of own source revenue	25.2%	37.7%	49.5%
Operating Position				
OP1	Adjusted underlying surplus (or deficit) as a % of underlying revenue	-1.0%	62.8%	-6381.1%

Commentary
YTD result higher than budget due to Rates being raised in Aug-20. 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-20. Full year result expected to be in line with budget.

**YARRA CITY COUNCIL
FINANCIAL REPORT
1 July 2020 to 30 September 2020
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	12,179	12,328	815	597	218	26.7%	12,233	94	0.8%	-	-	YTD variance due to a slower start than budgeted building projects, expected to catch up as the year progresses.
Total buildings	12,179	12,328	815	597	218	26.7%	12,233	94	0.8%	-	-	
Total property	12,179	12,328	815	597	218	26.7%	12,233	94	0.8%	-	-	
Plant and equipment												
Plant, Machinery and Equipment	2,179	2,179	10	86	(76)	-757.8%	2,179	-	0.0%	-	-	YTD variance due to the truck purchases being ahead of budget. Expected to finish in line with budget.
Computers & Telecommunications	2,738	2,738	98	79	20	19.9%	2,738	-	0.0%	-	-	
Total plant and equipment	4,917	4,917	108	165	(56)	-51.8%	4,917	-	0.0%	-	-	
Infrastructure												
Roads	9,709	10,060	1,899	1,370	529	27.8%	10,091	(31)	-0.3%	-	-	YTD variance due to a slower start on roads projects, expected to catch up as the year progresses.
Bridges	110	110	60	11	49	81.5%	110	-	0.0%	-	-	
Lanes	816	816	246	311	(66)	-26.7%	754	61	7.5%	-	-	YTD variance due to lanes projects are started earlier than phased.
Transport	1,500	1,500	350	27	323	92.3%	1,500	-	0.0%	-	-	YTD variance due to works on the Black Spots improvement program yet to commence. Expected to finish in line with budget.
Waste Management	75	75	-	-	-	0.0%	75	-	0.0%	-	-	
Parks, Open Space And Streetscapes	6,767	6,897	577	66	511	88.6%	6,929	(32)	-0.5%	-	-	YTD variance due to a number projects being behind schedule due to the impacts of COVID-19. Expected to finish in line with budget.
Street Furniture	255	255	0	-	0	100.0%	255	-	0.0%	-	-	
Retail Strips	-	-	-	-	-	0.0%	-	-	0.0%	-	-	
Priority Projects	644	644	65	11	54	83.2%	645	(1)	-0.1%	-	-	YTD variance due to the phasing of expenditure for UD-Bridge Road Activity Centre
Library Resources	640	640	230	86	144	62.6%	640	-	0.0%	-	-	YTD variance due to the timing of purchases. Expected to finish in line with budget.
Total infrastructure	20,516	20,997	3,427	1,883	1,544	45.1%	20,999	(2)	6.7%	-	-	
Total capital works expenditure	37,611	38,241	4,350	2,645	1,705	39.2%	38,149	93	0.2%	-	-	

Note: Full year adopted budget figure of \$30.543M has been adjusted to incorporate unspent carry over funds of \$7.067M from the 2019/20 Capital Works program.

**YARRA CITY COUNCIL
FINANCIAL REPORT
1 July 2020 to 30 September 2020**

**City of Yarra
Income Statement**

For Period 03 - September

	20/21 CL Actuals YTD \$'000	20/21 CL Bud Adjust YTD \$'000	Actuals vs Budget YTD Variance \$'000	Actuals vs Budget YTD Variance %	20/21 CL Bud Adopted Full Year \$'000	20/21 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	115,396	115,211	185	0%	115,869	115,869	115,869	0
Statutory fees and fines	2,392	7,086	(4,694)	-66%	25,454	25,454	25,454	0
User Fees	3,820	5,555	(1,735)	-31%	25,427	25,427	25,427	0
Reimbursements	278	362	(84)	-23%	1,074	1,074	1,074	0
Grants - Operating	4,007	3,418	589	17%	14,399	14,399	14,399	0
Grants - Capital	133	49	84	171%	4,169	4,169	4,169	0
Contributions - OSR	45	285	(240)	-84%	4,500	4,500	4,500	0
Contributions - Other monetary	290	127	163	128%	1,156	1,156	1,156	0
Net gain/(loss) on disposal of property, infrastructure, pla	0	40	(40)	-100%	160	160	160	0
Other Income	2,668	175	2,493	1425%	1,204	1,204	1,204	0
	<u>129,029</u>	<u>132,308</u>	<u>(3,279)</u>	<u>-2%</u>	<u>193,412</u>	<u>193,412</u>	<u>193,412</u>	<u>0</u>
Expenses from ordinary activities								
Employee Costs	23,659	23,986	327	1%	90,028	90,028	90,028	0
Materials and services	15,797	19,160	3,363	18%	75,663	75,663	75,663	0
Bad and doubtful debts	409	1,250	841	67%	5,000	5,000	5,000	0
Depreciation	5,807	5,950	143	2%	23,800	23,800	23,800	0
Amortisation - right of use assets	263	220	(43)	-20%	880	880	880	0
Borrowing costs	475	473	(2)	0%	1,867	1,867	1,867	0
Interest Exp - Leases	35	30	(5)	-17%	118	118	118	0
	<u>46,445</u>	<u>51,069</u>	<u>4,624</u>	<u>9%</u>	<u>197,356</u>	<u>197,356</u>	<u>197,356</u>	<u>0</u>
	<u>82,584</u>	<u>81,239</u>	<u>1,345</u>	<u>2%</u>	<u>(3,944)</u>	<u>(3,944)</u>	<u>(3,944)</u>	<u>0</u>

**YARRA CITY COUNCIL
FINANCIAL REPORT
1 July 2020 to 30 September 2020
Balance sheet**

	Balance as at 30/06/2020 \$'000	Balance as at period end \$'000	Movement Inc/(Dec) \$'000	Comments
ASSETS				
Current Assets				
Cash and cash equivalents	94,738	81,387	(13,351)	Cash reduction due to creditor payments for the year combined with reduction in receipts from parking and user fees as a result of the COVID-19 pandemic.
Receivables - Rates	9,826	116,431	106,605	Rates for 2020/21 were raised in August 2020. Receivable balance reduces with each payment instalment received throughout the year.
Receivables - Parking	3,809	3,131	(678)	Jul20 - Sep20 infringement debtors raised less payments and debt provision.
Receivables - Other	7,986	9,996	2,010	The increase in receivable relates to invoice raised for road discontinuance.
Accrued income	15	95	80	Accrued income relates to interest income that will be received in cash when term deposits mature.
Prepayments	1,080	22	(1,058)	Prepayments balance has reduced as expenditure is incurred throughout the year.
Inventories	166	166	-	
Assets Held for Resale	-	-	-	
Total Current Assets	117,620	211,228	93,608	
Non-Current Assets				
Financial assets	5	5	-	
Property, infrastructure ,plant and equipment	1,930,850	1,927,350	(3,500)	Depreciation expense for PPE YTD.
Right-of-use assets	2,307	2,044	(263)	Depreciation expense for Right-of-use assets YTD.
Total Non-Current Assets	1,933,162	1,929,399	(3,763)	
TOTAL ASSETS	2,050,782	2,140,627	89,845	
LIABILITIES				
Current Liabilities				
Payables	11,735	3,647	(8,088)	Payments have been made which reduce the payables owing amount. This will vary during the financial year.
Fire Services Levy	5,461	19,986	14,525	Raised at the same time as Rates for the financial year. Payments made quarterly to the SRO which will reduce the liability.
Trust funds	6,842	6,442	(400)	The movement is mainly due to receiving and holding trusts and bonds.
Accrued Expenses	3,655	3,560	(95)	Accruals raised for expenditure not yet paid. This will vary during the financial year. Accruals include contract payments and utilities.
Income in advance	2,365	2,190	(175)	The movement relates to income earned and recognised during the year as contract milestones have been met.
Employee benefits	15,520	17,530	2,010	Increase in employee benefits liability the result of reductions in leave taken.
Interest-bearing liabilities	1,270	957	(313)	Reduction in loan as a result of repayment of loan principal.
Lease liabilities	851	608	(243)	Reduction in lease liabilities as a result of payments being made.
Total Current Liabilities	47,699	54,920	7,221	
Non-Current Liabilities				
Non-current trade and other payables	2,645	2,645	-	
Non-current employee benefits	1,267	1,305	38	
Non-current interest bearing liabilities	41,203	41,203	-	
Non-current lease liabilities	1,539	1,539	-	
Non-current Trust Liability	374	374	-	
Total Non-Current Liabilities	47,028	47,066	38	
TOTAL LIABILITIES	94,727	101,986	7,259	
NET ASSETS	1,956,054	2,038,641	82,587	
Represented by:				
Accumulated surplus	670,892	670,852	(40)	
Asset revaluation reserves	1,270,317	1,270,317	-	
Other reserves	14,845	14,888	43	Open space contributions for the year less transfers out.
Retained Earnings	-	82,584	82,584	Net result for the year YTD.
EQUITY	1,956,054	2,038,641	82,587	

**YARRA CITY COUNCIL
FINANCIAL REPORT
1 July 2020 to 30 September 2020
Cash Flow Statement**

	Balance as at period end \$'000
Cash Flows from Operating Activities	
Rates and Charges	23,174
Parking Revenue	2,371
Government Grants Received	3,574
Victoria Grants Commission	-
User Charges, Fees and Other Fines Received	3,435
Reimbursements and Contributions Received	(45)
Interest Revenue	44
Other Revenue	1,928
Payments to Suppliers	(20,306)
Payments to Employees	(21,871)
Net GST	207
Net Cash Provided by Operating Activities	(7,489)
Cash Flows from Investing Activities	
Proceeds from Sale of Property, Plant & Equipment	-
Payments for Infrastructure, Property Plant & Equipment	(5,178)
Net Cash (Used in) Investing Activities	(5,178)
Cash Flows from/(used in) Financing Activities	
Finance Costs	(129)
(Proceeds from Borrowings)/Payments Towards	(555)
Net Cash (Used In) Financing Activities	(684)
Cash Balances	
Change in Cash Held	(13,351)
Cash at beginning of year	94,738
Cash at the End of the Financial Period	81,387
End of year Budgeted cash balance	56,638

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 (2020-21 funds received in 2019-20)	1,292
Capital Carry Forwards	7,067
Depot Relocation Grant Funding	16,089
Other Capital Grants	2,995
Unspent Operational Grants	931
Open Space Reserve to be cash backed	14,808
Total	43,182

**YARRA CITY COUNCIL
FINANCIAL REPORT
1 July 2020 to 30 September 2020
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	12,179	12,328	815	597	218	26.7%	12,233	94	0.8%	-	-
Total Property	12,179	12,328	815	597	218	26.7%	12,233	94	0.8%	-	-
Plant and equipment											
Plant, Machinery & Equipment	2,179	2,179	10	86	(76)	-757.8%	2,179	-	0.0%	-	-
Computers & Telecommunications	2,738	2,738	98	79	20	19.9%	2,738	-	0.0%	-	-
Total plant and equipment	4,917	4,917	108	165	(56)	-51.8%	4,917	-	0.0%	-	-
Infrastructure											
Roads	9,709	10,060	1,899	1,370	529	27.8%	10,091	(31)	-0.3%	-	-
Bridges	110	110	60	11	49	81.5%	110	-	0.0%	-	-
Lanes	816	816	246	311	(66)	-26.7%	754	61	7.5%	-	-
Transport	1,500	1,500	350	27	323	92.3%	1,500	-	0.0%	-	-
Waste Management	75	75	-	-	-	0.0%	75	-	0.0%	-	-
Parks, Open Space And Streetscapes	6,767	6,897	577	66	511	88.6%	6,929	(32)	-0.5%	-	-
Street Furniture	255	255	0	-	0	100.0%	255	-	0.0%	-	-
Retail Strips	-	-	-	-	-	0.0%	-	-	0.0%	-	-
Priority Projects	644	644	65	11	54	83.2%	645	(1)	-0.1%	-	-
Library Resources	640	640	230	86	144	62.6%	640	-	0.0%	-	-
Total infrastructure	20,516	20,997	3,427	1,883	1,544	45.1%	20,999	(2)	0.0%	-	-
Total capital works expenditure	37,611	38,241	4,350	2,645	1,705	39.2%	38,149	93	0.2%	-	-

Note: Full year adopted budget figure of \$30.543M has been adjusted to incorporate unspent carry over funds of \$7.067M from the 2019/20 Capital Works program.