

# FINANCIAL REPORT

Six months ended

31 December 2012



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# Financial Report

## Six months ended 31 December 2012

### 1 EXECUTIVE SUMMARY

#### 1.1 Operating performance

	YTD Budget \$'000	YTD Actual \$'000	YTD Var \$'000	Adopted Budget \$'000	Forecast \$'000
<b>Operating</b>					
Revenue	110,237	111,878	1,641	<b>128,076</b>	130,174
Expenditure	(66,828)	(64,969)	1,859	<b>(130,585)</b>	(133,366)
	43,409	46,909	3,500	<b>(2,509)</b>	(3,192)
<b>Capital &amp; other</b>					
Developer and other contributions	1,000	2,843	1,843	<b>2,000</b>	4,190
Revenue	958	889	(69)	<b>8,385</b>	10,092
Gain (loss) on disposal of assets	196	(24)	(220)	<b>269</b>	280
<b>Net surplus (deficit)</b>	<b>45,563</b>	<b>50,617</b>	<b>5,054</b>	<b>8,145</b>	<b>11,370</b>

Note: An underlying surplus of \$0.5 million is forecast for the year ending 30 June 2013.

For the six months ended 31 December 2012 Council has recorded an operating surplus before capital revenue of \$46.9 million, which is \$3.5 million ahead of the year to date budget. The main items contributing to this favourable variance are statutory fees and fines and material and services, partly offset by unfavourable variances in user fees and other expenses. After capital and developer contributions, the operating surplus is \$50.6 million, which is \$5.1 million ahead of budget.

The forecast Operating result for the year ending 30 June 2013 is an operating surplus of \$11.4 million, which is \$3.2 million more than budget.

The forecast underlying result for the year ending 30 June 2013 is a surplus of \$0.5 million, which is \$0.3 million more than budget. The underlying result is the net surplus for the year adjusted for capital grants and contributions and timing differences on grants received and spent.

#### 1.2 Capital performance

	YTD Budget \$'000	YTD Actual \$'000	YTD Var \$'000	Adopted Budget \$'000	Adjusted Budget \$'000	Forecast \$'000
Total capital works	13,016	9,146	3,870	<b>40,502</b>	41,669	37,755

For the six months ended 31 December 2012 Council has expended \$9.1 million on the capital works program, which is \$3.9 million behind the year to date budget. The variance is due mainly to delays on building works, open space projects and the purchase of plant and equipment. The forecast total to be expended on capital works for the year ending 30 June 2013 is \$37.8 million, which is \$2.7 million less than the adopted budget. A total of \$2.5 million is forecast to be carried forward into the 2013/14 year for capital works expected to be incomplete as at 30 June 2013. Carry forward projects include, Keon Park Community Hub, Barling Reserve pavilion, Co-generation at Northcote Aquatic & Recreation Centre and the Reservoir Library redevelopment and includes funding received in advance for Preston Day Nursery and Thornbury Kindergarten.

#### 1.3 Financial position

	YTD Budget \$'000	YTD Actual \$'000	YTD Var \$'000	Adopted Budget \$'000	Forecast \$'000
Cash and cash equivalents	49,322	52,059	2,737	36,738	42,893
Net current assets	72,708	81,294	8,586	19,405	26,154
Net assets and total equity	986,704	1,171,488	184,784	949,287	1,132,241

The Financial Position as at 31 December 2012 shows a cash balance of \$52.1 million which is \$2.7 million ahead of budget. The variance is due to a number of factors, primarily the delay in purchase of property, infrastructure and equipment, greater than anticipated interest income and the early receipt of government

# Financial Report

## Six months ended 31 December 2012

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grants. The net current asset position is \$81.3 million which is \$8.6 million more than budget. The variance is due to the higher cash position and trade and other receivables and lower trade and other payables compared to budget. The net asset position of \$1.17 billion is \$184.8 million greater than budget and is primarily due to asset revaluations at 30 June 2012 of \$195.0 million. The forecast Financial Position as at 30 June 2013 shows a cash position of \$42.9 million and net current assets of \$26.2 million. The repayment of the Defined Benefits Superannuation unfunded liability call (\$14.0 million) has not been factored into the forecast year end cash position.



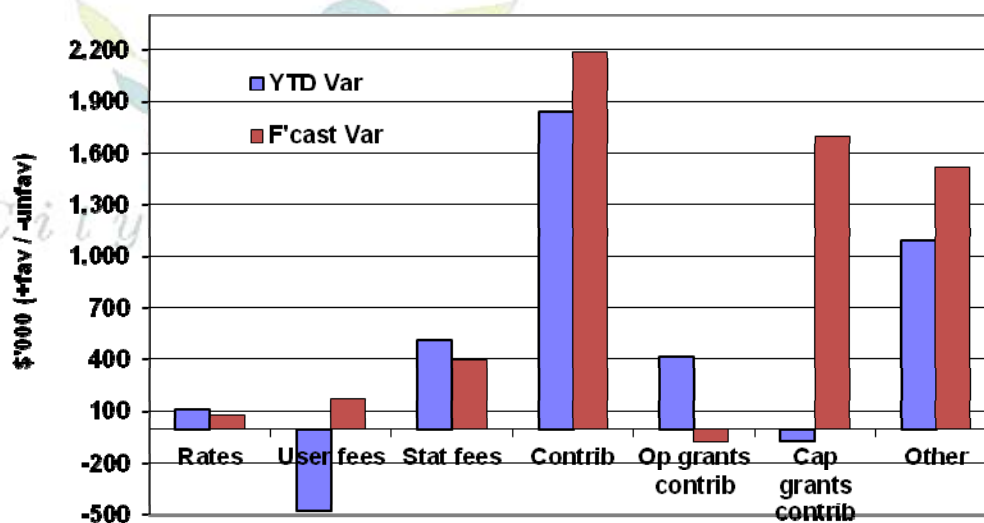
## 2. FINANCIAL ANALYSIS

### 2.1 Operating performance

#### 2.1.1 Operating revenue

	YTD Budget \$'000	YTD Actual \$'000	YTD Var \$'000	Adopted Budget \$'000	Forecast \$'000	Forecast Var \$'000
<b>Revenues</b>						
Rates	93,441	93,549	108	<b>94,724</b>	94,799	75
User fees	5,942	5,460	(482)	<b>11,741</b>	11,924	183
Statutory fees and fines	2,621	3,132	511	<b>5,202</b>	5,594	392
Contributions	1,000	2,843	1,843	<b>2,000</b>	4,190	2,190
Operating grants & contrib's	6,838	7,250	412	<b>13,034</b>	12,963	(71)
Capital grants & contrib's	958	889	(69)	<b>8,385</b>	10,092	1,707
Other revenue	1,395	2,487	1,092	<b>3,375</b>	4,894	1,519
<b>Total operating revenue</b>	<b>112,195</b>	<b>115,610</b>	<b>3,415</b>	<b>138,461</b>	<b>144,456</b>	<b>5,995</b>

#### Revenue YTD & Forecast variances



Financial Report  
Six months ended 31 December 2012

**Major Operating Revenue Variances**

	Var	YTD Fav Budget \$'000	YTD Unfav Budget \$'000	F'cast Fav Budget \$'000	F'cast Unfav Budget \$'000
<b>Rates</b>		<b>108</b>		<b>75</b>	
Rebates and other adjustments	T	54			
Separate rates - Northcote	T	36			
General rates	P	51		51	
<b>User fees</b>			<b>482</b>	<b>183</b>	
Leisure contracts	P		127	88	
Asset strategy	T		102		
Home support service delivery	P		154		78
Environmental operations	T		87		
Reservoir Leisure Centre	P		94		40
Health & urban protection	T		91		
Infrastructure maintenance	T	55			
Arts & culture	P			36	
<b>Statutory fees</b>		<b>511</b>		<b>392</b>	
Engineering services	P	96		83	
Traffic enforcement	P	390		295	
Election fines	T		60		
<b>Contributions</b>		<b>1,843</b>		<b>2,190</b>	
Developer contribution scheme	P	173		239	
Open space contributions	P	1,670		1,951	
<b>Operating grants and contributions</b>		<b>412</b>			<b>71</b>
Darebin libraries	P	40		40	
Family and community programs	P	173		88	
Assessment and complex care	P	87		207	
Access for all abilities	P	61		135	
School crossing	T	110			
Home support service delivery	P		43		102
Victorian grants commission	T/P		127		254
Healthy communities	P		19		140
Environmental strategies	P		0		100
<b>Capital grants and contributions</b>			<b>69</b>	<b>1,707</b>	
Arterial roads strategy	T		100		
Leisure minor works funding	T		60		
Modernising neighbourhood houses	T		55		
Roads to recovery	T		306		
Darebin Creek shared path	P	136		136	
Reservoir child care redevelop.	P	300		300	
Reservoir Library redevelopment	P	0		3,280	
Early years infrastructure	P	0		489	
Hayes Park pavilion	T/P	18			90
Barling Reserve pavilion	P	0			2,380
<b>Other</b>		<b>1,092</b>		<b>1,519</b>	
Interest on investments, rates & loans	P	548		841	
Workers compensation recoup	P	329		196	
Infrastructure maintenance & support	P	5		218	
Recycling / waste education project	P	50		50	
Learner driver support program	P	90		45	
Valuation services	T	41			

Note: Var T = Timing P = Permanent CF = Carried forward prior year  
Fav – Favourable against budget, Unfav – Unfavourable against budget

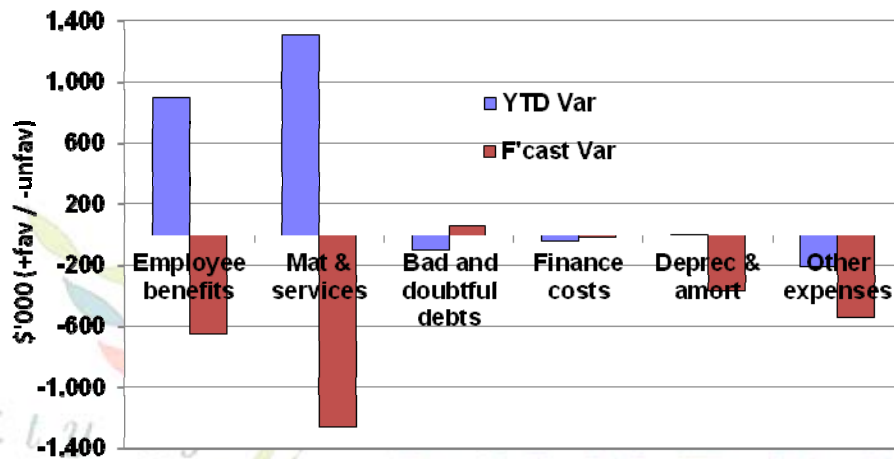
# Financial Report

## Six months ended 31 December 2012

### 2.1.2 Operating expenses

Expense type	YTD Budget \$'000	YTD Actual \$'000	YTD Var \$'000	Adopted Budget \$'000	Forecast \$'000	Forecast Var \$'000
<b>Expenses</b>						
Employee benefits	34,875	33,973	902	<b>67,600</b>	68,255	(655)
Materials and services	17,064	15,755	1,309	<b>34,487</b>	35,745	(1,258)
Bad and doubtful debts	321	424	(103)	<b>643</b>	587	56
Finance costs	59	103	(44)	<b>118</b>	132	(14)
Depreciation and amortisation	9,235	9,229	6	<b>18,471</b>	18,840	(369)
Other expenses	5,274	5,485	(211)	<b>9,266</b>	9,807	(541)
<b>Total operating expenses</b>	<b>66,828</b>	<b>64,969</b>	<b>1,859</b>	<b>130,585</b>	<b>133,366</b>	<b>(2,781)</b>

### Expenses YTD & Forecast variances



Financial Report  
Six months ended 31 December 2012

**Major Operating Expense Variances**

	Var	YTD Fav Budget \$'000	YTD Unfav Budget \$'000	F'cast Fav Budget \$'000	F'cast Unfav Budget \$'000
<b>Employee benefits</b>		<b>902</b>			<b>655</b>
Home support service delivery	P	451		338	
Operational projects and fleet	T	62			
Environmental operations	T	98			
Parks and gardens	T	139			
Arts & culture	T	122			
IT application systems	P	91		113	
Civic compliance	P	83		102	
Customer services	T	72			
Children & community development	P	101		50	
Family and community programs	P		53		197
Major projects and activity centres	T		177		
Workers compensation insurance	P		427		365
Community planning & performance	T/P	20			111
Community wellbeing	P		16		81
Assessment and complex care	T/P	60			100
Darebin Libraries	T/P	24			69
<b>Materials and services</b>		<b>1,309</b>			<b>1,258</b>
Major maintenance	CF	204			219
Leisure contracts	T	62			
Open space - arboriculture	T	150			
Open space management	P	83		137	
Environmental operations	T/P	66			117
Arts and culture	T	120			
Strategic planning	T/P,+a	115			53
Capital works	T/P	53			72
Community wellbeing	P	47		91	
Information services	P		111		117
Infrastructure maintenance & support	P		176		155
Facilities maintenance	P		106		55
Street lighting	T		127		
Operational projects and fleet	P,+b		69		159
Assessment and complex care	T/P	4			111
Home support service delivery	T/P	43			103
Civic compliance	P		49		96
<b>Bad &amp; Doubtful debts</b>			<b>103</b>	<b>56</b>	
Civic compliance	T		166		
Health & urban protection	P	61		56	
<b>Finance costs</b>			<b>44</b>		
Interest - borrowing costs	T/P		44		13
<b>Depreciation and amortisation</b>					<b>369</b>
Infrastructure assets	P		479		994
Building	P		200		555
Plant and equipment	P	574		1,018	
Intangibles	P	80		151	
<b>Other</b>			<b>211</b>		<b>541</b>
Insurances various	P		632		124
Community wellbeing	P		131		119
MFB contribution	P	54		108	
Asset strategy	T	68			
Family & community programs	P		3		163
Leisure services	P		17		111

Note: Var T = Timing P = Permanent CF = Carried forward prior year, +Council resolution – (a) strategic planning requests



# Financial Report

## Six months ended 31 December 2012

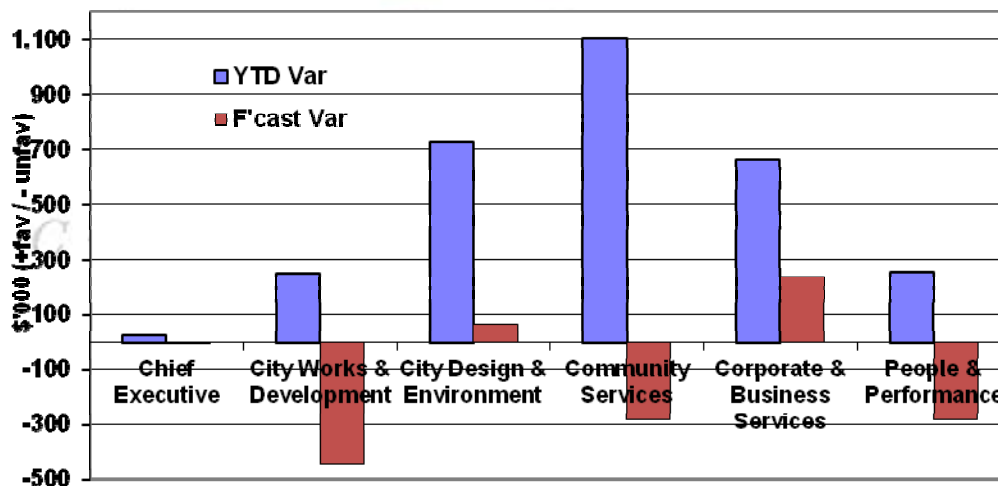
(b) Resource Recovery Centre management fee, Fav – Favourable against budget, Unfav – Unfavourable against budget

### 2.1.3 Department analysis

Department	YTD Budget Net cost \$'000	YTD Actual Net cost \$'000	YTD Var Net cost \$'000	Adopted Budget Net cost \$'000	Forecast Net cost \$'000	Forecast Var Net cost \$'000
Chief Executive	413	386	27	819	822	(3)
City Works & Development	11,946	11,696	250	25,424	25,863	(439)
City Design & Environment	7,729	7,000	729	15,064	15,003	60
Community Services	7,134	6,030	1,104	14,667	14,950	(282)
Corporate & Business Services	6,602	5,943	659	11,728	11,488	240
People & Performance	4,517	4,260	257	8,258	8,539	(280)
	38,341	35,315	3,026	75,961	76,665	(704)
Other non-attributable <sup>1</sup>	(83,904)	(85,932)	2,028	(84,106)	(88,035)	3,929
<b>Net (surplus) deficit</b>	<b>(45,563)</b>	<b>(50,617)</b>	<b>5,054</b>	<b>(8,145)</b>	<b>(11,370)</b>	<b>3,225</b>

1. Other non-attributable includes rate revenue, grants commission, capital revenue, major maintenance, depreciation, insurance and other significant items.

### Department net cost YTD & Forecast variances



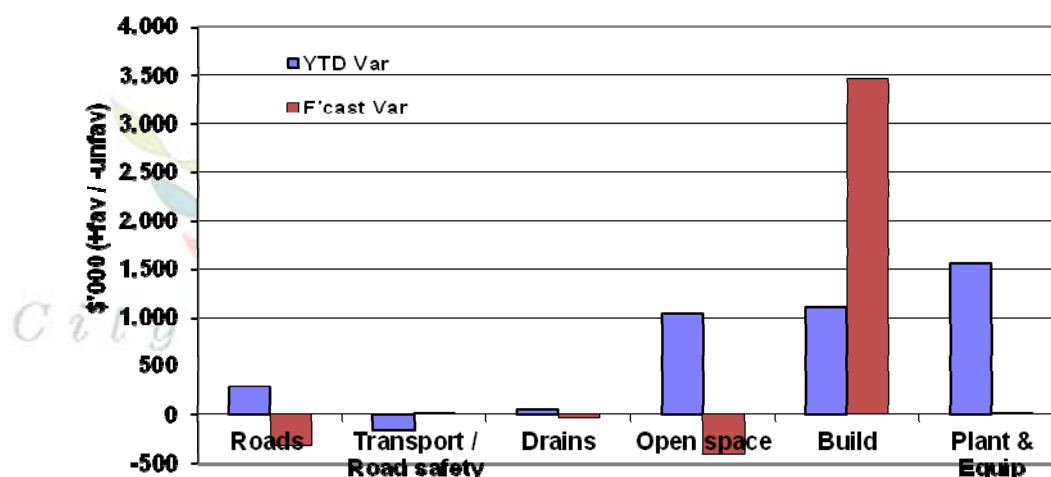
# Financial Report

## Six months ended 31 December 2012

### 2.2 Capital performance

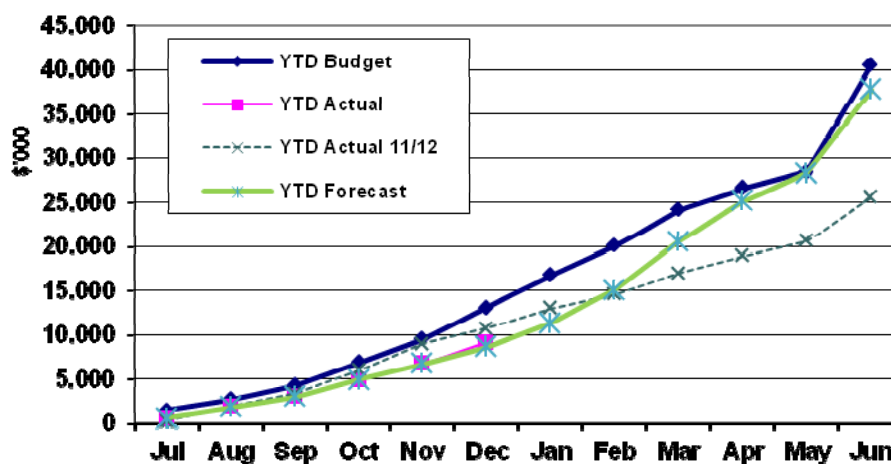
	YTD Budget \$'000	YTD Actual \$'000	YTD Var \$'000	Adopted Budget \$'000	Adjusted Budget \$'000	Forecast \$'000
<b>Capital works class</b>						
Roads	2,548	2,256	292	6,044	6,222	6,358
Transport / Road safety	222	384	(162)	1,274	1,275	1,260
Drains	175	127	48	589	649	619
Open space	2,740	1,699	1,041	6,156	6,469	6,563
Buildings	4,215	3,116	1,099	20,162	20,794	16,698
Plant & equipment	3,116	1,564	1,552	6,277	6,260	6,257
<b>Total capital works</b>	<b>13,016</b>	<b>9,146</b>	<b>3,870</b>	<b>40,502</b>	<b>41,669</b>	<b>37,755</b>
<b>Represented by:</b>						
Capital expenditure	10,507	6,840	3,667	35,686	36,880	32,720
Major maintenance	2,509	2,306	203	4,816	4,789	5,035
<b>Total capital works</b>	<b>13,016</b>	<b>9,146</b>	<b>3,870</b>	<b>40,502</b>	<b>41,669</b>	<b>37,755</b>

#### Capital works YTD & Forecast variances by asset class



Note: Building forecast is favourable to budget due to \$2.5M of works being carried forward to 2013/14 to complete Keon Park Community Hub, Barling Reserve pavilion, NARC Co-generation and Reservoir Library redevelopment.

#### Capital works YTD expenditure cumulative



# Financial Report

## Six months ended 31 December 2012

### Major Capital Works Variances

	Var	YTD Ahead of Budget \$'000	YTD Behind Budget \$'000	F'cast Ahead of Budget \$'000	F'cast Behind Budget \$'000
<b>Roads</b>			<b>292</b>	<b>314</b>	
Local roads	P		311	155	
Heritage Crt - footpath	T		65		
Shared path – Darebin / Merri Creek trail	T		445		
Darebin Creek shared path	P	144		136	
Roads to Recovery program	T	93			
Footpath repair program	T	123			
Urgent works – Cunningham St	T	140			
<b>Transport / Road safety</b>		<b>162</b>			
Traffic management / road safety	T	155			
<b>Drains</b>			<b>48</b>		
No individual significant item					
<b>Open space</b>			<b>1,041</b>	<b>407</b>	
Leamington St – open space	T		150		
Leisure minor works funding	T		90		
Batman Park playspace	T		99		
Street tree planting	T		155		
Pocket parks improvements	T		143		
Preston City Oval gateway	CF		129	191	
Warm season turf establishment	P		125		50
Strip shopping streetscapes	T		95		
Sporting reserves safety nets	P		88		45
Irrigation upgrades	T/P		10		70
Parks renewal projects	T/P	5			100
Sir Doug Nicholls oval	CF/P	105		286	
Streetscape improvements	T	118			
Sportsfield lighting	T	65			
Preston connect – stage 3	T/P		12	100	
Playground upgrades	P	22		72	
<b>Buildings</b>			<b>1,099</b>		<b>3,464</b>
Modernising neighbourhood houses	T		110		
Cogeneration at NARC	T		344		89
Oakhill Community Centre	T		100		
Donath Reserve west pavilion	T		85		
Donath Reserve central park pavilion	P		66	58	
Reservoir Library redevelopment	P		79		861
Energy efficiency works	T		61		
Lancaster Gate Community Centre	CF		43	324	
Barling Reserve pavilion	P		2		2,500
Keon Park Community Hub	P		49		800
Hayes Park pavilion	T/P	127			77
East Reservoir Neighbourhood House playspace	P			108	
Reservoir Child Care redevelopment	P			300	
<b>Plant and Equipment</b>			<b>1,552</b>		
Aged & disability system replacement	T		96		
Plant replacement program	T		1,051		
Licence plate recognition	T		99		
Library product purchases	T		54		
Mobile garbage bin replacement	T	63			
IT pc & network replacement	T	109			

Note: Var T = Timing P = Permanent CF = Carried forward prior year

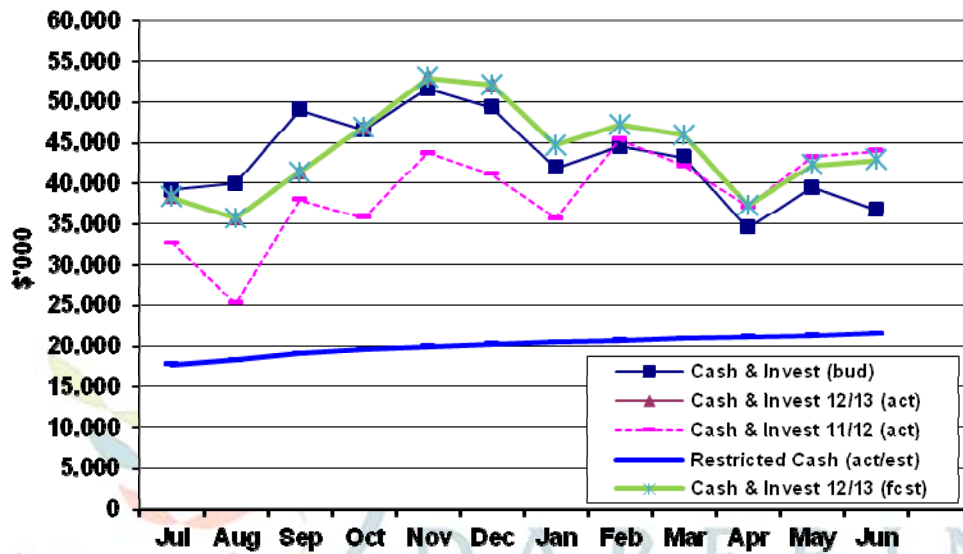
# Financial Report

## Six months ended 31 December 2012

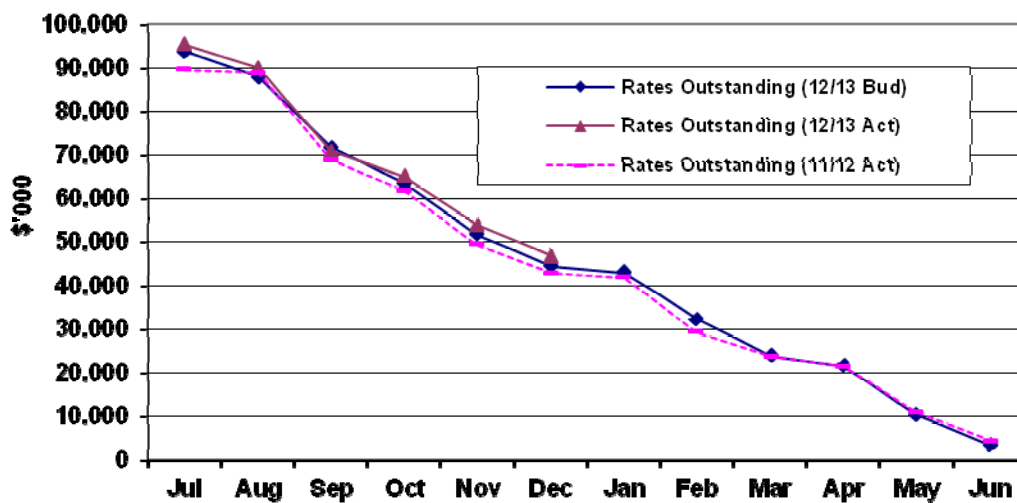
### 2.3 Financial position

	YTD Budget \$'000	YTD Actual \$'000	YTD Var \$'000	Adopted Budget \$'000	Forecast \$'000
Cash and investments	49,322	52,059	2,737	36,738	42,893
Net current assets	72,708	81,294	8,586	19,405	26,154
Net assets and total equity	986,704	1,171,488	184,784	949,287	1,132,241

*Actual & Budget cash & investments balance by month*



*Actual & Budget rates outstanding balances by month*



Financial Report  
Six months ended 31 December 2012

**Major Balance Sheet YTD variances**

	Var	YTD Fav Budget \$'000	YTD Unfav Budget \$'000	Forecast Fav Budget \$'000	Forecast Unfav Budget \$'000
<b>Current assets</b>		<b>8,015</b>		<b>7,211</b>	
Cash and investments	CF, P	2,737		6,155	
Receivables	P	4,860		50	
Other financial assets	P	418		1,006	
<b>Current liabilities</b>		<b>571</b>			<b>462</b>
Trade creditors & other payables	T	1,583			
Interest bearing loans and borrowings	T	121			
Employee provisions	P		1,133		462
<b>Non current assets</b>		<b>188,244</b>		<b>188,974</b>	
Property, Infra. plant & equipment	P	188,467		189,370	
Intangible assets	P		287		346
Trade & other receivables	T	113			
Investment property	P		49		49
<b>Non current liabilities</b>			<b>12,046</b>		<b>12,769</b>
Trade creditors & other payables	P		14,000		14,000
Interest bearing loans and borrowings	T	725			
Employee provisions	P	1,230		1,230	
<b>Equity</b>		<b>184,784</b>		<b>182,954</b>	
Accumulated surplus	P		9,163		12,952
Asset revaluation reserve	P	195,026		195,026	
Other reserves	P		1,079	880	

Note: Var T = Timing P = Permanent CF = Carried forward prior year  
Fav – Favourable against budget, Unfav – Unfavourable against budget

## APPENDIX A

Income Statement  
Balance Sheet  
Cash Flow Statement  
Statement of Capital Works



Financial Report  
Six months ended 31 December 2012

**DAREBIN CITY COUNCIL**

**Income Statement**

For the 6 months ended 31 December, 2012

	YTD Budget	YTD Actual	YTD Variance	Annual Budget	Forecast Actual
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Revenues from ordinary activities</b>					
Rates	93,441	93,549	108	<b>94,724</b>	94,799
User fees	5,942	5,460	(482)	<b>11,741</b>	11,924
Statutory fees and fines	2,621	3,132	511	<b>5,202</b>	5,594
Contributions	1,000	2,843	1,843	<b>2,000</b>	4,190
Operating grants and contributions	6,838	7,250	412	<b>13,034</b>	12,963
Capital grants and contributions	958	889	(69)	<b>8,385</b>	10,092
Other	1,395	2,487	1,092	<b>3,375</b>	4,894
Total revenues	<u>112,195</u>	<u>115,610</u>	<u>3,415</u>	<b><u>138,461</u></b>	<u>144,456</u>
<b>Expenses from ordinary activities</b>					
Employee benefits	34,875	33,973	902	<b>67,600</b>	68,255
Materials and services	17,064	15,755	1,309	<b>34,487</b>	35,745
Bad and doubtful debts	321	424	(103)	<b>643</b>	587
Finance costs	59	103	(44)	<b>118</b>	132
Depreciation and amortisation	9,235	9,229	6	<b>18,471</b>	18,840
Other	5,274	5,485	(211)	<b>9,266</b>	9,807
Total expenses	<u>66,828</u>	<u>64,969</u>	<u>1,859</u>	<b><u>130,585</u></b>	<u>133,366</u>
Net gain (loss) on disposal of property infrastructure, plant and equipment	196	(24)	(220)	<b>269</b>	280
<b>Surplus for the year</b>	<u>45,563</u>	<u>50,617</u>	<u>5,054</u>	<b><u>8,145</u></b>	<u>11,370</u>

# Financial Report

## Six months ended 31 December 2012

### DAREBIN CITY COUNCIL

#### Balance Sheet

As at 31 December, 2012

	YTD Budget \$'000	YTD Actual \$'000	YTD Variance \$'000	Annual Budget \$'000	Forecast Actual \$'000
<b>Current assets</b>					
Cash and cash equivalents	49,322	52,059	2,737	36,738	42,893
Trade and other receivables	47,001	51,861	4,860	8,774	8,824
Other financial assets	252	670	418	73	1,079
<b>Total current assets</b>	<b>96,575</b>	<b>104,590</b>	<b>8,015</b>	<b>45,585</b>	<b>52,796</b>
<b>Non-current assets</b>					
Trade and other receivables	136	249	113	104	104
Property, infrastructure, plant & equipment	912,910	1,101,377	188,467	928,042	1,117,412
Investment property	3,664	3,615	(49)	3,664	3,615
Intangible assets	500	213	(287)	500	154
Other financial assets	206	206	0	206	206
<b>Total non-current assets</b>	<b>917,416</b>	<b>1,105,660</b>	<b>188,244</b>	<b>932,516</b>	<b>1,121,490</b>
<b>Total assets</b>	<b>1,013,991</b>	<b>1,210,250</b>	<b>196,259</b>	<b>978,101</b>	<b>1,174,286</b>
<b>Current liabilities</b>					
Trade and other payables	9,930	8,347	1,583	11,970	11,970
Interest bearing loans and borrowings	637	516	121	320	320
Provisions	13,300	14,433	(1,133)	13,890	14,352
<b>Total current liabilities</b>	<b>23,867</b>	<b>23,296</b>	<b>571</b>	<b>26,180</b>	<b>26,642</b>
<b>Non-current liabilities</b>					
Trade and other payables	0	14,000	(14,000)	0	14,000
Interest bearing loans and borrowings	1,086	362	724	300	299
Provisions	2,334	1,104	1,230	2,334	1,104
<b>Total non-current liabilities</b>	<b>3,420</b>	<b>15,466</b>	<b>(12,046)</b>	<b>2,634</b>	<b>15,403</b>
<b>Total liabilities</b>	<b>27,287</b>	<b>38,762</b>	<b>(11,475)</b>	<b>28,814</b>	<b>42,045</b>
<b>Net assets</b>	<b>986,704</b>	<b>1,171,488</b>	<b>184,784</b>	<b>949,287</b>	<b>1,132,241</b>
<b>Equity</b>					
Accumulated surplus	527,168	518,005	(9,163)	489,750	476,798
Asset revaluation reserve	451,900	646,926	195,026	451,900	646,926
Other reserves	7,636	6,557	(1,079)	7,637	8,517
<b>Total equity</b>	<b>986,704</b>	<b>1,171,488</b>	<b>184,784</b>	<b>949,287</b>	<b>1,132,241</b>



# Financial Report

## Six months ended 31 December 2012

### DAREBIN CITY COUNCIL

#### Cash Flow Statement

For the 6 months ended 31 December, 2012

	YTD Budget \$'000	YTD Actual \$'000	YTD Variance \$'000	Annual Budget \$'000	Forecast Actual \$'000
	Inflows (Outflows)	Inflows (Outflows)		Inflows (Outflows)	Inflows (Outflows)
<b>Cash flows from operating activities</b>					
Receipts from customers (incl GST)	64,537	64,409	(128)	116,262	121,392
Payments to suppliers and employees (incl GST)	(59,157)	(57,547)	1,611	(118,319)	(121,648)
	5,380	6,862	1,483	(2,057)	(256)
Interest	588	1,274	686	1,291	2,199
Government receipts	7,873	8,690	817	21,419	23,701
Net GST refund / payment	2,845	1,902	(944)	6,575	6,575
Net cash provided by operating activities	16,686	18,728	2,042	27,228	32,219
<b>Cash flows from investing activities</b>					
Proceeds from sale of property, plant & equipment	510	346	(163)	896	941
loans and advances	27	27	0	55	54
Payment for property, infrastr, plant & equipment	(13,305)	(9,904)	3,400	(35,686)	(32,716)
Net cash used in investing activities	(12,768)	(9,531)	3,237	(34,735)	(31,721)
<b>Cash flows from financing activities</b>					
Finance costs	(63)	(115)	(52)	(118)	(132)
Trust funds and deposits	0	191	191	0	(0)
Repayment of interest bearing loans and borrowings	(329)	(1,175)	(846)	(1,433)	(1,434)
Net cash used in financing activities	(392)	(1,099)	(707)	(1,551)	(1,566)
<b>Net increase / (decrease) in cash &amp; cash equivalents</b>					
	3,526	8,098	4,572	(9,058)	(1,068)
Cash & cash equivalents at the beginning of the year	45,796	43,961	(1,835)	45,796	43,961
<b>Cash &amp; cash equivalents at the end of the year</b>	<b>49,322</b>	<b>52,059</b>	<b>2,737</b>	<b>36,738</b>	<b>42,893</b>

#### Reconciliation of cash flows from operating activities to surplus

	YTD Budget \$'000	YTD Actual \$'000	YTD Variance \$'000	Annual Budget \$'000	Forecast Actual \$'000
Surplus for the year	45,563	50,617	5,054	8,145	11,370
Items not involving cash or non operating in nature					
Depreciation and amortisation	9,235	9,229	(6)	18,471	18,840
Interest expense	59	103	44	118	132
Bad & doubtful debts	321	424	103	643	587
Net gain on sale of assets	(196)	24	220	(269)	(280)
	54,982	60,397	5,415	27,108	30,649
Change in operating assets and liabilities					
Decrease / (Increase) in rate debtors	(41,242)	(42,421)	(1,178)	(100)	0
Decrease / (Increase) in other operating assets	4,664	1,008	(3,656)	(54)	1,430
(Decrease) / Increase in Trade creditors	(1,588)	(2,693)	(1,105)	322	970
(Decrease) / Increase in other operating liabilities	(130)	2,438	2,568	(48)	(831)
	(38,296)	(41,669)	(3,373)	120	1,570
Net cash provided by operating activities	16,686	18,728	2,042	27,228	32,219

Financial Report  
Six months ended 31 December 2012

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**DAREBIN CITY COUNCIL**

**Statement of Capital Works**

For the 6 months ended 31 December, 2012

	YTD Budget \$'000	YTD Actual \$'000	YTD Variance \$'000	<b>Annual Budget \$'000</b>	Adjusted Budget \$'000	Forecast Actual \$'000
Roads	2,548	2,256	292	<b>6,044</b>	6,222	6,358
Transport / Road safety	222	384	(162)	<b>1,274</b>	1,275	1,260
Drains	175	127	48	<b>589</b>	649	619
Open space	2,740	1,699	1,041	<b>6,156</b>	6,469	6,563
Buildings	4,215	3,116	1,099	<b>20,162</b>	20,794	16,698
Plant & equipment	3,116	1,564	1,552	<b>6,277</b>	6,260	6,257
<b>Total capital works</b>	<b>13,016</b>	<b>9,146</b>	<b>3,870</b>	<b>40,502</b>	<b>41,669</b>	<b>37,755</b>

**Represented by:**

Capital expenditure	10,507	6,840	3,667	<b>35,686</b>	36,880	32,720
Major maintenance	2,509	2,306	203	<b>4,816</b>	4,789	5,035
<b>Total capital works</b>	<b>13,016</b>	<b>9,146</b>	<b>3,870</b>	<b>40,502</b>	<b>41,669</b>	<b>37,755</b>

