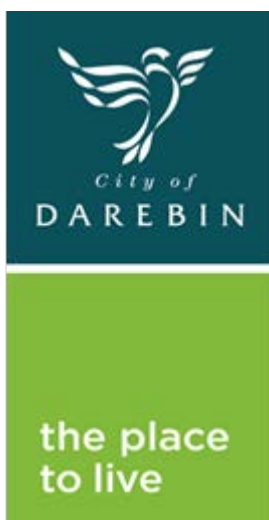


# FINANCIAL REPORT

Nine months ended

31 March 2016



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# Financial Report

## 9 months ended 31 March 2016

### 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	146,294	147,194	900	<b>159,494</b>	159,038
Expenditure	(113,453)	(107,436)	6,017	<b>(152,616)</b>	(150,827)
<b>Surplus (deficit)</b>	<b>32,841</b>	<b>39,758</b>	<b>6,917</b>	<b>6,878</b>	<b>8,211</b>
<b>Capital &amp; other</b>					
Revenue / grants	(606)	(668)	(62)	<b>(989)</b>	(1,160)
Developer contributions	(4,125)	(4,268)	(143)	<b>(5,500)</b>	(4,992)
<b>Adjusted underlying surplus</b>	<b>28,110</b>	<b>34,822</b>	<b>6,712</b>	<b>389</b>	<b>2,059</b>

For the 9 months ended 31 March 2016 Council has recorded an operating surplus of \$39.76 million, which is \$6.92 million ahead of the year to date budget. After eliminating capital and other items, the adjusted underlying surplus is \$34.82 million, which is \$6.71 million ahead of budget.

The main items contributing to this favourable variance are rates, other income, employee costs, materials and services, and depreciation and amortisation. The forecast operating result for the year ending 30 June 2016 is an operating surplus of \$8.21 million, which is \$1.33 million more than budget. The forecast adjusted underlying surplus is \$2.06 million, which is \$1.67 million more than budget.

#### 1.2 Capital performance

	YTD Budget \$'000	YTD Actual \$'000	YTD Var \$'000	Adopted Budget \$'000	Adjusted Budget \$'000	Forecast \$'000
Property	4,502	3,485	1,018	<b>6,835</b>	8,191	8,254
Plant & equipment	4,484	3,293	1,191	<b>5,290</b>	6,369	6,122
Infrastructure	15,677	10,936	4,743	<b>22,575</b>	25,252	25,453
<b>Total capital works</b>	<b>24,663</b>	<b>17,713</b>	<b>6,950</b>	<b>34,700</b>	<b>39,812</b>	<b>39,829</b>

For the 9 months ended 31 March 2016, Council has expended \$17.71 million on the capital works program, which is \$6.95 million behind the year to date budget. The variance is due mainly to delays in buildings works, purchase of plant and equipment, roads and transport and road safety works and parks, open space and streetscapes. As at 31 March 2016 a further \$6.74 million has been committed by way of issued purchase orders. Commitments are not reflected in the reported capital expenditure and indicate that many projects are well advanced. The forecast total to be expended on capital works for the year ending 30 June 2016 is \$39.83 million, which is \$5.13 million more than the adopted budget. At this stage total of \$0.42 million of expenditure is forecast to be carried forward into the 2016/17 year.

#### 1.3 Financial position

	YTD Budget \$'000	YTD Actual \$'000	YTD Var \$'000	Adopted Budget \$'000	Forecast \$'000
Cash and investments	34,079	60,336	26,257	<b>39,155</b>	46,037
Net current assets	52,637	65,930	13,293	<b>22,672</b>	21,454
<b>Net assets and total equity</b>	<b>1,218,080</b>	<b>1,218,639</b>	<b>559</b>	<b>1,287,880</b>	<b>1,282,854</b>

The Financial Position as at 31 March 2016 shows a cash and investment balance of \$60.34 million which is \$26.26 million ahead of budget. The variance is due mainly to timing differences

# Financial Report

## 9 months ended 31 March 2016

in receipt of rates, other income, payments to employees and suppliers, delay in payments for capital works and a higher opening cash and investment position compared with budget. The cash and investment balance of \$60.34 million was sufficient to meet restricted cash and intended allocation obligations of \$27.10 million at the end of March. Restricted cash is the amount of cash holdings Council requires to meet external restrictions such as trust funds, statutory reserves and cash for intended allocations such as cash held to fund future capital works.

The net current asset position is \$65.93 million which is \$13.29 million more than budget. The net asset position of \$1.22 billion is \$0.56 million more than budget. The forecast Financial Position as at 30 June 2016 shows a cash position of \$46.04 million and net current assets of \$21.45 million.

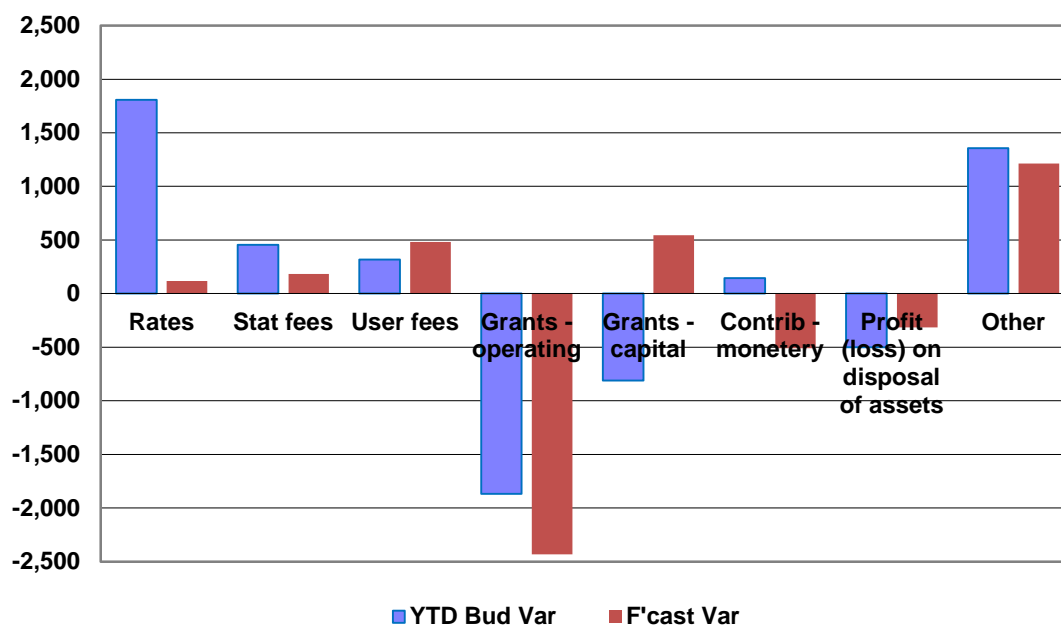
## 2. FINANCIAL ANALYSIS

### 2.1 Operating performance

#### 2.1.1 Operating income

	YTD Budget \$'000	YTD Actual \$'000	YTD Bud Var \$'000	Adopted Budget \$'000	Forecast \$'000	Forecast Variance \$'000
<b>Income</b>						
Rates and charges	111,580	113,388	1,808	<b>113,858</b>	113,977	119
Statutory fees and fines	5,089	5,543	454	<b>6,607</b>	6,789	182
User fees	8,800	9,118	318	<b>11,852</b>	12,334	482
Grants - operating	11,971	10,103	(1,868)	<b>15,632</b>	13,201	(2,431)
Grants - capital	1,479	668	(811)	<b>1,862</b>	2,407	545
Contributions - monetary	4,125	4,268	143	<b>5,500</b>	4,992	(508)
Net gain (loss) on disposal of assets	448	(53)	(501)	<b>(259)</b>	(316)	(57)
Other income	2,802	4,159	1,357	<b>4,442</b>	5,654	1,212
<b>Total income</b>	<b>146,294</b>	<b>147,194</b>	<b>900</b>	<b>159,494</b>	<b>159,038</b>	<b>(456)</b>

#### Income YTD & Forecast variances



# Financial Report

## 9 months ended 31 March 2016

### Major Operating Income Variances

	Var	YTD Fav Budget \$'000	YTD Unfav Budget \$'000	F'cast Fav Budget \$'000	F'cast Unfav Budget \$'000
<b>Rates and charges</b>		<b>1,808</b>		<b>119</b>	
Green waste service charge	T	579			
Supplementary rates	P	934		762	
Rebates & other adjustments	P	282		262	
Special charge – Solar \$aver	P				971
<b>Statutory fees &amp; fines</b>		<b>454</b>		<b>183</b>	
Building services	P	239		90	
Civic compliance	T	140			
Health & urban protection	P	68		58	
<b>User fees</b>		<b>318</b>		<b>482</b>	
Asset strategy	P	211		327	
Building services	P	76		66	
Civic compliance	P	251		135	
Darebin Arts & Entertainment Centre	P	227		357	
Leisure & public realm	T	100			
Valuation services	P	67		64	
Access & support	P		240		314
Children & community development	P		77		84
Environmental operations	P		52		50
Leisure contracts	P		83		63
Reservoir Leisure Centre	P		89		110
<b>Grants - operating</b>			<b>1,868</b>		<b>2,431</b>
Aged & disability services	P		337		187
Victorian Grants Commission	* P,CF		1,860		2,480
Children & community development	P		58		86
Civic compliance	T	78			
Family & community programs	P	215		223	
<b>Grants - capital</b>			<b>811</b>	<b>545</b>	
Bundoora Park – infrastructure contrib.	P		50		50
Roads to recovery	P		873	374	
Safe crossing – Merri Parade	P		230		230
Living rivers program	P	127		127	
Outdoor multipurpose courts	P	150		150	
<b>Contributions - monetary</b>		<b>143</b>			<b>508</b>
Public open space	P	1,642		1,492	
Developer contribution scheme	P		1,499		2,000
<b>Net gain / (loss) on sale of pip&amp;e</b>			<b>501</b>	<b>57</b>	
Proceeds on sale of plant	P		319	99	
Plant write-off	P		36		36
<b>Other</b>		<b>1,357</b>		<b>1,212</b>	
Interest on investments, loans & rates	P	167		191	
Infrastructure maintenance	P	186		137	
Leisure contracts	T	99			
Parental leave scheme recoup	P	108		140	
Recycling waste education program	P	200		200	
Sustainable homes	P	55		55	
WorkCover salary recoup	P	245		218	

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

Fav – Favourable against budget, Unfav – Unfavourable against budget

\* VGC – Council received 50% of the 2015/16 allocation (\$2.48M) in previous year.

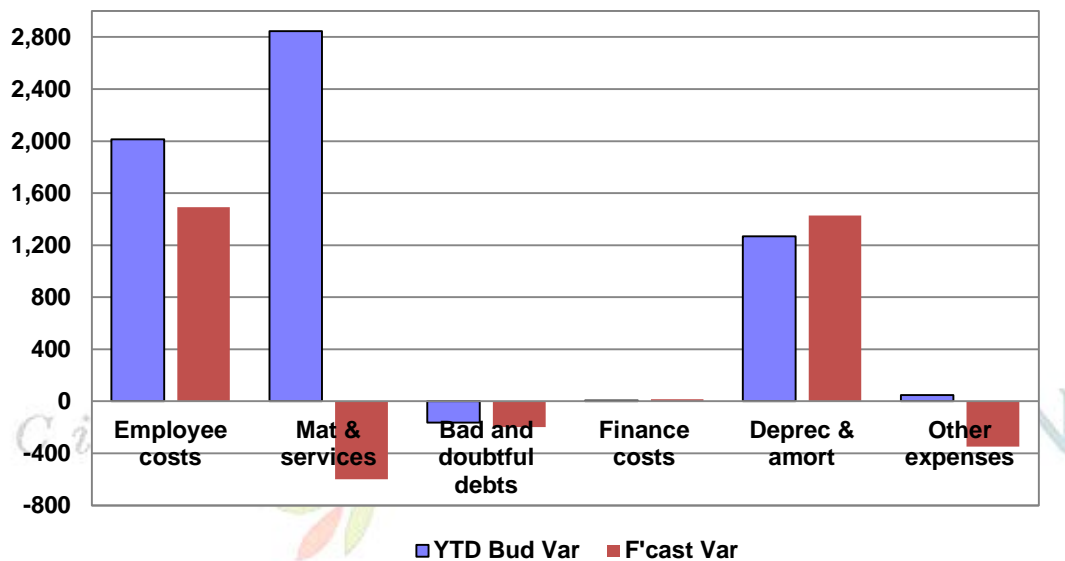
# Financial Report

## 9 months ended 31 March 2016

### 2.1.2 Operating expenses

Expense type	YTD Budget \$'000	YTD Actual \$'000	YTD Bud Var \$'000	Adopted Budget \$'000	Forecast \$'000	Forecast Variance \$'000
<b>Expenses</b>						
Employee costs	58,806	56,793	2,013	<b>78,530</b>	77,039	1,491
Materials and services	31,088	28,243	2,845	<b>42,692</b>	43,291	(599)
Bad and doubtful debts	601	764	(163)	<b>802</b>	1,001	(199)
Depreciation and amortisation	16,682	15,414	1,268	<b>22,243</b>	20,816	1,427
Finance costs	13	8	5	<b>23</b>	7	16
Other expenses	6,263	6,214	49	<b>8,326</b>	8,673	(347)
<b>Total expenses</b>	<b>113,453</b>	<b>107,436</b>	<b>6,017</b>	<b>152,616</b>	<b>150,827</b>	<b>1,789</b>

#### Expenses YTD & Forecast variances



Financial Report  
9 months ended 31 March 2016

**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 costs</b>		<b>2,013</b>		<b>1,491</b>	
Access & support	P	180		116	
Accounting support	P	62		52	
Application systems	P	83		75	
Arboriculture	P	74		52	
Bundoora Park – golf operations	P	96		85	
Children & community development	P	139		99	
Civic compliance	P	127		89	
Communications & marketing	P	76		71	
Community facilities	P	119		82	
Community participation & development	P	104		101	
Customer service	P	185		175	
Darebin Libraries	P	139		114	
Environmental operations	P	136		145	
Equity & diversity	T	77			
Health & urban protection	P	64		81	
Human resources	P	227		196	
Park & vegetation	P	180		162	
Performance support	P	97		84	
Risk services	P	60		51	
Transport	P	194		300	
Bundoora Park – heritage village	P		56		67
Community development	P		77		104
Corporate initiatives	T		58		
Darebin Arts & Entertainment Centre	P		116		163
Economic development & employment	P				69
Facility maintenance	T		61		
Family & community programs	P		75		145
Infrastructure maint. & support	P		111		169
Major projects & activity centres	P		130		87
<b>Materials and services</b>		<b>2,845</b>			<b>599</b>
Arboriculture	T	187			
Arts & culture	T	116			
Communications & marketing	T	79			
Community facilities	P	176		90	
Community participation	T	65			
Community wellbeing	T	93			
Creative culture	P	83		114	
Economic development & employment	P	157		62	
Environmental operations	P	639		316	
Equity & diversity	P	84		65	
Family & community programs	P	86			105
Utilities	P	392		531	
Darebin Libraries	T	89			
Human resources	P	167		65	
Major maintenance	CF,P	1,450			389
Special charge – Solar \$aver	P	90		848	
Strategic planning	T	168			
Accounting support	P		59		58
Civic compliance	P		104		175
Darebin Arts & Entertainment Centre	P		233		364
Facilities maintenance	P	112			267
IT infrastructure	P		94		93

# Financial Report

## 9 months ended 31 March 2016

	Var	YTD Fav Budget \$'000	YTD Unfav Budget \$'000	F'cast Fav Budget \$'000	F'cast Unfav Budget \$'000
Leisure contracts	P		69		182
Parks & vegetation	P		114		242
People & resources	P		109		112
Rate capping review	P		112		112
Recycling waste education program	P				174
Service review	P		112		112
Transport	P		318		341
Youth services	P		95		48
<b>Bad &amp; doubtful debts</b>			<b>163</b>		<b>199</b>
Civic compliance	P		85		124
<b>Depreciation and amortisation</b>		<b>1,268</b>		<b>1,427</b>	
Infrastructure	P	161			75
Intangible assets	P	692		923	
Property	P	545		963	
Plant and equipment	P		130		385
<b>Other</b>		<b>49</b>			<b>347</b>
Corporate initiatives	P			200	
Darebin Arts & Entertainment Centre	P	63		73	
Insurance	P	160		165	
Asset strategy	P		60		66
Community participation & development	T		102		
Environmental operations	P		61		53
Operations, projects and fleet	T		58		
Creative culture	P				55
General rates and charges	P		59		107
Special rates and charges	P		258		120

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



# Financial Report

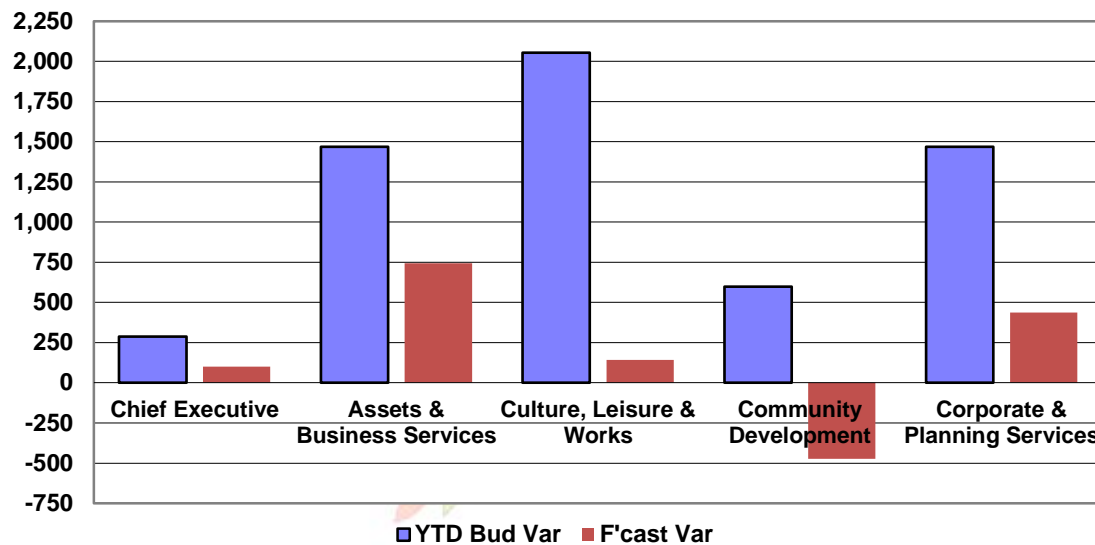
## 9 months ended 31 March 2016

### 2.1.3 Department analysis

Department	YTD Budget Net cost \$'000	YTD Actual Net cost \$'000	YTD Bud Var Net cost \$'000	Adopted Budget Net cost \$'000	Forecast Net cost \$'000
Chief Executive	3,310	3,023	287	<b>4,328</b>	4,227
Assets & Business Services	11,853	10,385	1,468	<b>15,758</b>	15,015
Culture, Leisure & Works	24,733	22,679	2,054	<b>33,218</b>	33,076
Community Development	17,173	16,574	599	<b>23,134</b>	23,608
Corporate Services	10,943	9,475	1,468	<b>14,361</b>	13,924
	68,012	62,136	5,876	<b>90,799</b>	89,850
Other non-attributable <sup>1</sup>	(100,853)	(101,894)	1,041	<b>(97,677)</b>	(98,062)
<b>Net (surplus) deficit</b>	<b>(32,841)</b>	<b>(39,758)</b>	<b>6,917</b>	<b>(6,878)</b>	<b>(8,211)</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



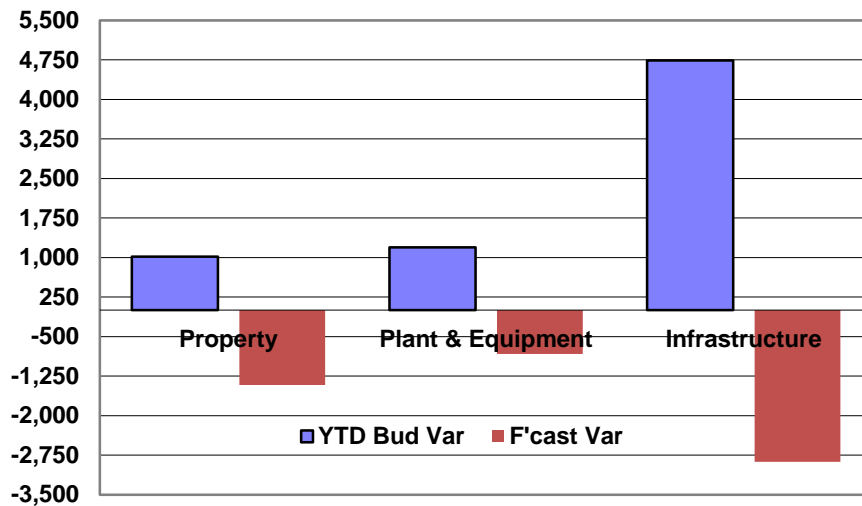
# Financial Report

## 9 months ended 31 March 2016

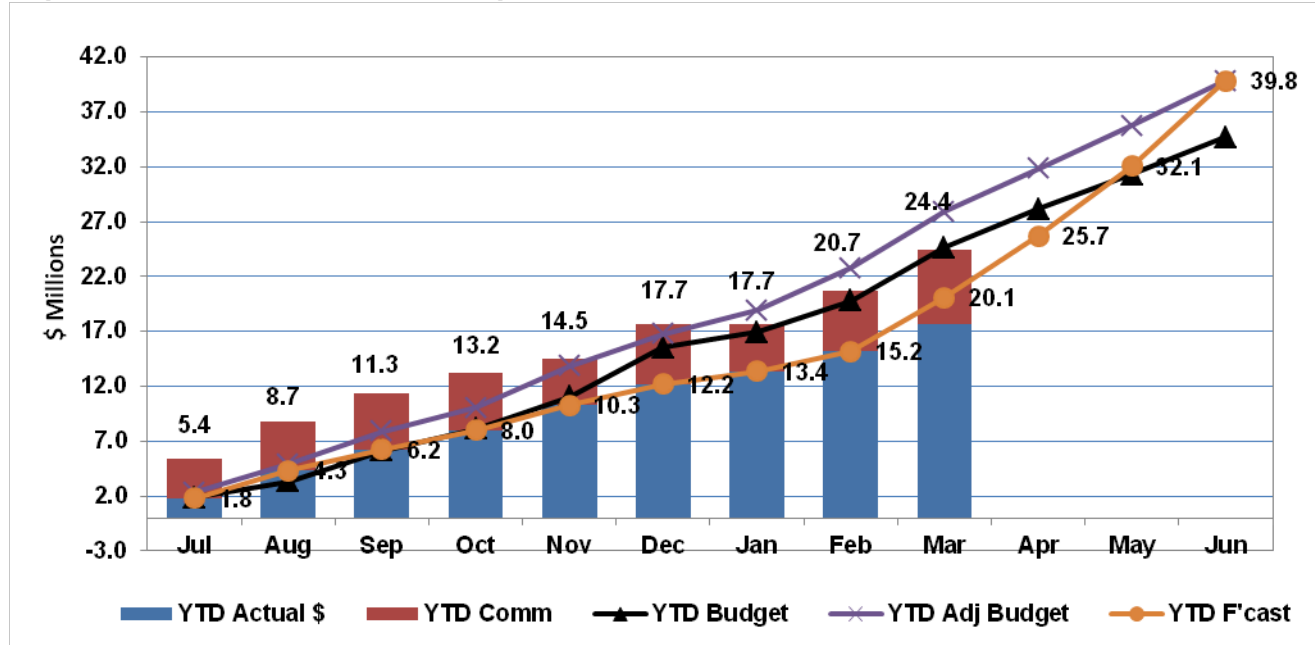
### 2.2 Capital performance

	YTD Budget \$'000	YTD Actual \$'000	YTD Bud Var \$'000	Adopted Budget \$'000	Adjusted Budget \$'000	Forecast \$'000
<b>Property</b>						
Land Improvements	90	56	34	135	135	135
Buildings	4,412	3,428	984	6,700	8,056	8,119
<b>Total Property</b>	<b>4,502</b>	<b>3,484</b>	<b>1,018</b>	<b>6,835</b>	<b>8,191</b>	<b>8,254</b>
<b>Plant &amp; Equip.</b>						
Plant, machinery & eq.	2,488	1,632	856	2,708	3,070	3,031
Fixtures, fit & furn.	100	270	(170)	130	332	332
Computers & telecom.	1,275	813	462	1,720	2,235	2,009
Library books	621	578	43	732	732	750
<b>Total Plant &amp; Equip.</b>	<b>4,484</b>	<b>3,293</b>	<b>1,191</b>	<b>5,290</b>	<b>6,369</b>	<b>6,122</b>
<b>Infrastructure</b>						
Roads	3,880	3,146	734	5,009	6,420	6,738
Transport / road safety	3,151	1,540	1,611	4,277	3,811	3,610
Bridges	193	104	89	454	454	479
Footpaths & cycleways	1,764	1,427	337	2,252	2,396	2,331
Drains	719	339	380	1,144	1,381	1,178
Recreation, leis facil.	456	388	68	569	623	623
Parks, open space & str.	5,397	3,853	1,544	8,743	10,040	10,367
Off street car parks	32	50	(18)	42	42	42
Other infrastructure	85	89	(4)	85	85	85
<b>Total Infrastructure</b>	<b>15,677</b>	<b>10,936</b>	<b>4,741</b>	<b>22,575</b>	<b>25,252</b>	<b>25,453</b>
<b>Total capital works</b>	<b>24,663</b>	<b>17,713</b>	<b>6,950</b>	<b>34,700</b>	<b>39,812</b>	<b>39,829</b>
<b>Represented by:</b>						
Asset renewal	9,558	6,791	2,767	13,855	16,148	16,295
New assets	3,047	2,165	882	4,417	5,148	5,196
Asset expansion	1,542	1,096	446	2,236	2,605	2,630
Asset upgrade	4,850	3,446	1,404	7,031	8,194	8,269
<b>Capital expenditure</b>	<b>18,998</b>	<b>13,499</b>	<b>5,499</b>	<b>27,539</b>	<b>32,097</b>	<b>32,389</b>
Major maintenance	5,665	4,214	1,451	7,161	7,715	7,439
<b>Total capital works</b>	<b>24,663</b>	<b>17,713</b>	<b>6,950</b>	<b>34,700</b>	<b>39,812</b>	<b>39,829</b>

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



**Capital works YTD & Committed expenditure cumulative**



Financial Report  
9 months ended 31 March 2016

**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>Property</b>			1,018	1,420	
<b>Buildings</b>			984	1,420	
Asbestos management	T		69		
CH Sullivan memorial park pavilion	P,CF		209	81	
City & Shire Hall review	T		156		
Disability access	P,CF		125	58	
East Preston Community Centre	T		327		
Energy efficiency works	T		72		
Multi-sports stadium	T		225		
Northcote Library – carpet replace.	T		90		
Re-locatable kinder building	E,CF		238		
Back-up power generator	P,CF	91		100	
DRRC noise wall	P,CF			80	
NARC masterplan	P	147		50	
Preston office accommodation	P,CF			64	
Public convenience works	P,CF			327	
Reservoir Learning & Community Centre	P,CF,E	241		273	
RLC - cogeneration	P,CF			56	
WR Ruthven community pavilion	P,CF	349		349	
<b>Plant &amp; Equipment</b>			1,191	832	
<b>Plant, machinery &amp; equipment</b>			856	323	
Plant replacement	P,CF,E		957	177	
Darebin – pop-up piazza	P,CF,IF	88		99	
Mobile garbage bin replacement	P	114		70	
<b>Fixtures, fittings &amp; furniture</b>		170		202	
Reservoir Learning & Community Centre - furniture	P,CF	202		202	
<b>Computers &amp; telecomms</b>			462	289	
Agenda & minutes automation	P,CF		70		
IT server, disk storage	P,CF		79	121	
Venue management system	T		95		
Website enhancements	P,CF		63		42
Wifi / broadband project	T		136		
Aged & disability system	P,CF	128		215	
<b>Infrastructure</b>			4,741	2,876	
<b>Roads</b>			734	1,729	
Roundabouts & roadside planting	T		60		
Road rehab – Chifley Dve	T		387		
Road rehab – Northernhay St	T		612		
Road rehab – Winter St	T		219		
Traffic signal upgrade	T		65		
Slope remediation	P,CF	316		456	
Special charge scheme	P,CF			66	
RL&CC laneway	P,CF	166		263	
Road rehab – Flinders St	P,CF,E	372		596	
R2R – High St	P,E			174	
R2R – May St	P,E			110	
R2R – Darling St	P,E			90	
Road resurfacing program	P		136		111
<b>Transport / road safety</b>			1,611		668
Energy efficient streetlights	P,CF,E		809		507
Traffic management	T		397		
Safe crossing – Merri Pde	T		230		230

Financial Report  
9 months ended 31 March 2016

	Var	YTD Ahead of Budget \$'000	YTD Behind Budget \$'000	F'cast Ahead of Budget \$'000	F'cast Behind Budget \$'000
<b>Bridges</b>			89		
Footbridge renewal - Scott Grove	T		81		
<b>Footpath &amp; cycle ways</b>			337	79	
Shared path – creek corridor	T		55		
Shared path – St Georges Rd	T		169		
Shared path – parks renewal	T		86		
Walking initiatives	T		154		
Footpath renewal	T	140			
Improving cycling facilities	P,CF			114	
<b>Drains</b>			380		
Minor upgrades	T		70		
Improvement works – Edwardes St	T		140		
Improvement works – Fulham Rd	T		150		
Strategic water outcomes	P		94		92
Drainage strategy review	P,CF			80	
Water sensitive urban design	P,CF,E	61		46	
<b>Recreation, leisure &amp; comm fac.</b>			68	54	
Bundoora Park golf course infra.	T		50		
Bundoora Park master plan	P,CF	57		54	
<b>Parks, open space &amp; streetscape</b>			1,544	1,624	
Active recreation in parks	T		90		
Batman Park – master plan	T		192		
City wide beautification **	P		1,125		1,790
Dog signage	P,CF		98	65	
Exercise equipment in parks	P,IF		177		58
Outdoor multi-purpose sports	P,CF			480	
Pocket parks renewal	T		177		
Shopping strip infrastructure	P,CF		382	220	
WH Robinson / AH Capp Reserve	T		100		
Access & amenity improvements **	P			110	
All Nation Park	P,CF			132	
Big parks master plan	P,CF			70	
Cheddar Rd median	P,CF	62		62	
Consultancy & surveys **	P			120	
Darebin Parklands entry **	P			100	
Gateway beautification **	P			150	
Junction urban master plan **	P	84		750	
Playground upgrades	P,CF			53	
Rail corridor land **	P			100	
Reservoir streetscape	P,CF	177		434	
Sports field lighting	T	207			
Street tree planting **	P	121		310	
Swain Reserve half court	P,CF	61		85	

Note: Var T = Timing P = Permanent CF = Carried forward prior/next year E = Externally funded

IF = Infrastructure Funded project

Note – \* Energy efficient street lighting was approved by Council on 3 February 2014

\*\* City wide beautification works (\$2.0M) have been split into 11 individual projects

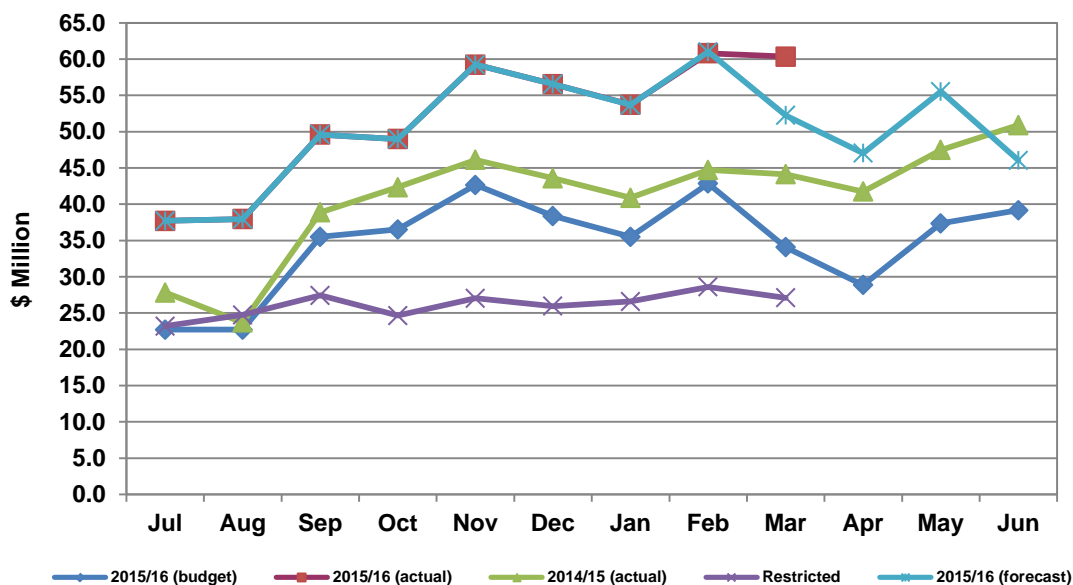
# Financial Report

## 9 months ended 31 March 2016

### 2.3 Financial position

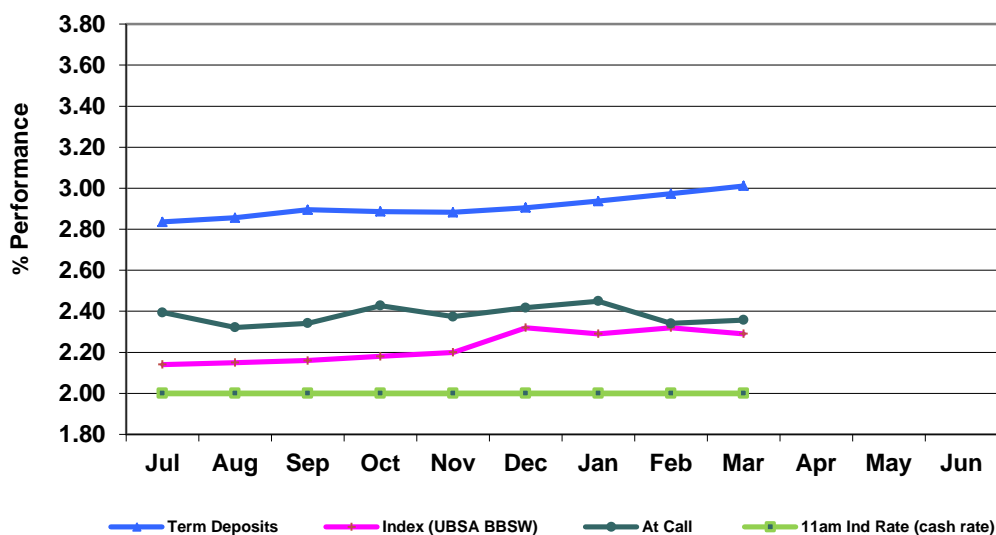
	YTD Budget \$'000	YTD Actual \$'000	YTD Bud Var \$'000	Adopted Budget \$'000	Forecast \$'000
Cash and investments	34,079	60,336	26,257	39,155	46,037
Net current assets	52,637	65,930	13,293	22,672	21,454
Net assets and total equity	1,218,080	1,218,639	559	1,287,880	1,282,854

#### Actual & Budget cash & investments balance by month

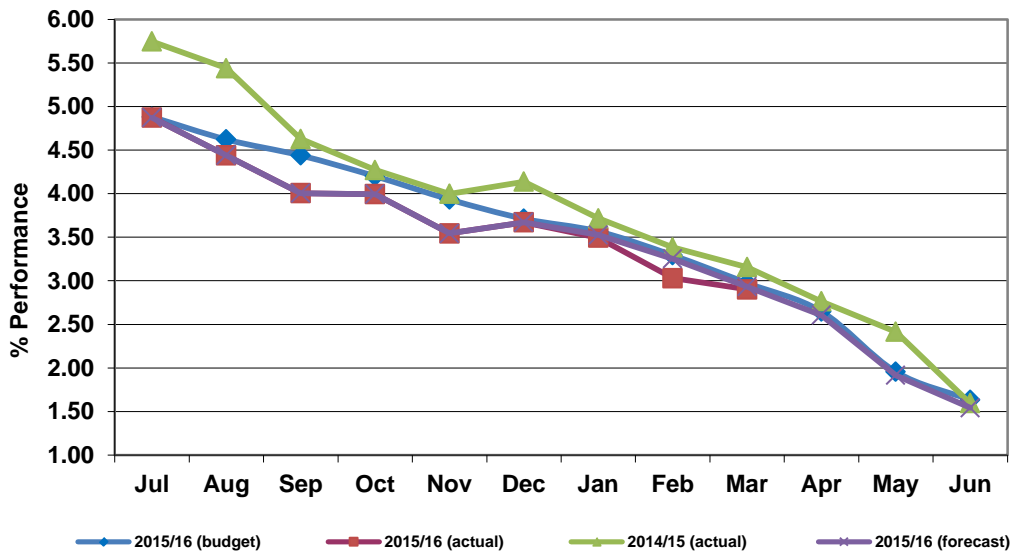


Note: Cash and investments include term deposits with a maturity date exceeding 90 days which are classified as other financial assets in the Balance Sheet (\$21.92M).

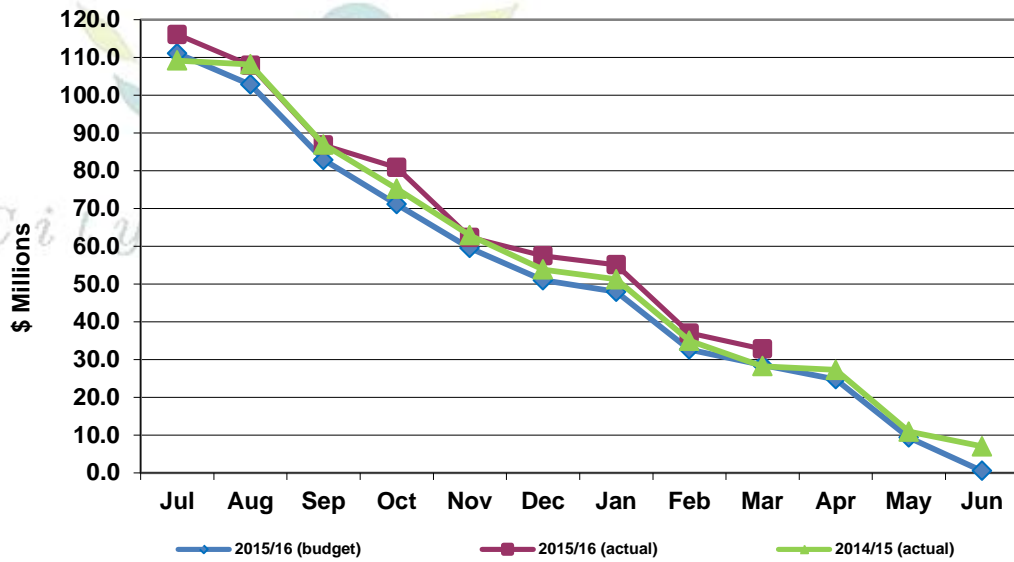
#### Cash & Investment Weighted Average Interest Rate v Benchmark



**Actual & Budget working capital ratio by month  
(Current assets / Current liabilities)**



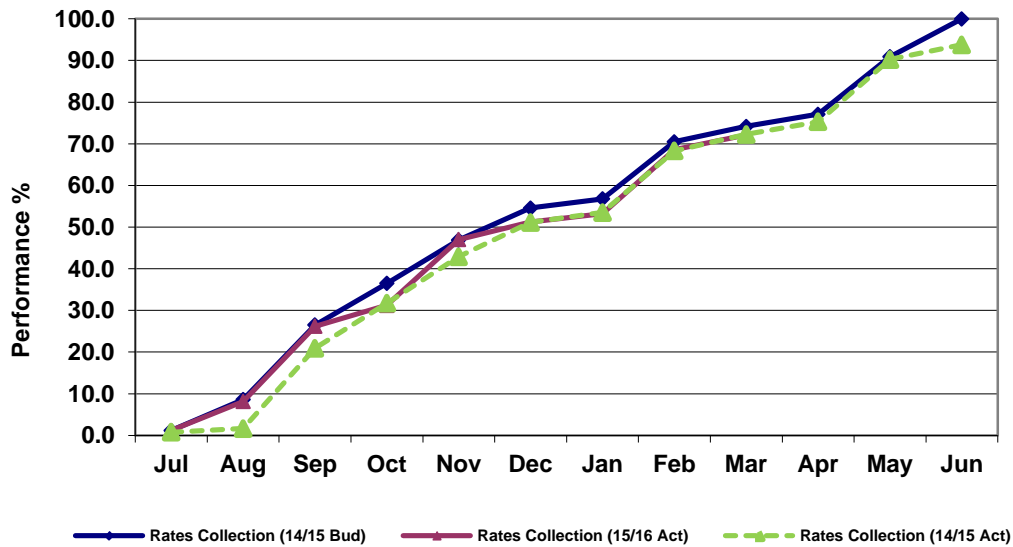
**Actual & Budget rates outstanding balances by month**



# Financial Report

## 9 months ended 31 March 2016

### Actual & Budget % of rates received by month



### 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>22,423</b>		<b>2,826</b>	
Cash and investments	CF,P *	26,257		6,882	
Rate receivables	T		3,971		188
Other receivables	T		504		4,076
Other assets	T	634		201	
<b>Current liabilities</b>			<b>9,130</b>		<b>4,044</b>
Trade creditors	T		1,588	990	
Other payables	P		6,484		6,692
Trust funds and deposits	P		1,111		279
Interest bearing loans	P	69		192	
Employee provisions	P		16	1,745	
<b>Non-current assets</b>			<b>13,690</b>		<b>4,552</b>
Property, Infra. plant & equipment	P		12,749		2,481
Intangible assets	P	34			1,095
Investment property	P		975		976
<b>Non-current liabilities</b>		<b>956</b>		<b>744</b>	
Interest bearing loans	P	1,000		788	
Employee provisions	P		44		44
<b>Equity</b>		<b>559</b>			<b>5,026</b>
Accumulated surplus	P	4,100			977
Asset revaluation reserve	P		2,396		2,396
Other reserves	P		1,145		1,653

\*Note: Cash and investments include term deposits with a maturity date exceeding 90 days which are classified as other financial assets in the Balance Sheet (\$2.0M).

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



## APPENDIX A

Comprehensive Income Statement  
Balance Sheet  
Statement of Cash Flows  
Statement of Capital Works



Financial Report  
9 months ended 31 March 2016

**DAREBIN CITY COUNCIL**  
**Comprehensive Income Statement**

For the 9 months ended 31 March, 2016

	YTD Budget	YTD Actual	YTD Variance	Annual Budget	Q3 Forecast
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Income</b>					
Rates and charges	111,580	113,388	1,808	<b>113,858</b>	113,977
Statutory fees and fines	5,089	5,543	454	<b>6,607</b>	6,789
User fees	8,800	9,118	318	<b>11,852</b>	12,334
Grants - operating	11,971	10,103	(1,868)	<b>15,632</b>	13,201
Grants - capital	1,479	668	(811)	<b>1,862</b>	2,407
Contributions - monetary	4,125	4,268	143	<b>5,500</b>	4,992
Net gain (loss) on disposal of property, infrastructure, plant and equipment	448	(53)	(501)	<b>(259)</b>	(316)
Other income	2,802	4,159	1,357	<b>4,442</b>	5,654
<b>Total income</b>	<b>146,294</b>	<b>147,194</b>	<b>900</b>	<b>159,494</b>	<b>159,038</b>
<b>Expenses</b>					
Employee costs	58,806	56,793	2,013	<b>78,530</b>	77,039
Materials and services	31,088	28,243	2,845	<b>42,692</b>	43,291
Bad and doubtful debts	601	764	(163)	<b>802</b>	1,001
Depreciation and amortisation	16,682	15,414	1,268	<b>22,243</b>	20,816
Borrowing costs	13	8	5	<b>23</b>	7
Other expenses	6,263	6,214	49	<b>8,326</b>	8,673
<b>Total expenses</b>	<b>113,453</b>	<b>107,436</b>	<b>6,017</b>	<b>152,616</b>	<b>150,827</b>
<b>Surplus for the year</b>	<b>32,841</b>	<b>39,758</b>	<b>6,917</b>	<b>6,878</b>	<b>8,211</b>
<b>Less</b>					
Grants - capital (non-recurrent)	(606)	(668)	(62)	<b>(989)</b>	(1,160)
Contributions - monetary	(4,125)	(4,268)	(143)	<b>(5,500)</b>	(4,992)
<b>Adjusted underlying surplus/ (deficit)</b>	<b>28,110</b>	<b>34,822</b>	<b>6,712</b>	<b>389</b>	<b>2,059</b>

Financial Report  
9 months ended 31 March 2016

**DAREBIN CITY COUNCIL**

**Balance Sheet**

As at 31 March 2016

	YTD Budget \$'000	YTD Actual \$'000	YTD Variance \$'000	Annual Budget \$'000	Q3 Forecast \$'000
<b>Current assets</b>					
Cash and cash equivalents	29,976	38,415	8,439	<b>24,325</b>	41,934
Trade and other receivables	43,021	38,546	(4,475)	<b>17,541</b>	13,277
Other financial assets	4,103	21,921	17,818	<b>14,830</b>	4,103
Inventories	87	94	7	<b>87</b>	94
Other assets	1,001	1,635	634	<b>1,395</b>	1,596
<b>Total current assets</b>	<b>78,188</b>	<b>100,611</b>	<b>22,423</b>	<b>58,178</b>	<b>61,004</b>
<b>Non-current assets</b>					
Trade and other receivables	114	114	0	<b>114</b>	114
Property, infrastructure, plant & equipment	1,163,162	1,150,413	(12,749)	<b>1,261,652</b>	1,259,171
Investment property	3,782	2,807	(975)	<b>3,782</b>	2,806
Intangible assets	511	545	34	<b>1,574</b>	479
Other financial assets	236	236	0	<b>236</b>	236
<b>Total non-current assets</b>	<b>1,167,805</b>	<b>1,154,115</b>	<b>(13,690)</b>	<b>1,267,358</b>	<b>1,262,806</b>
<b>Total assets</b>	<b>1,245,993</b>	<b>1,254,726</b>	<b>8,733</b>	<b>1,325,536</b>	<b>1,323,810</b>
<b>Current liabilities</b>					
Trade and other payables	3,923	11,995	(8,072)	<b>12,449</b>	18,151
Trust funds and deposits	3,557	4,668	(1,111)	<b>4,299</b>	4,578
Interest bearing loans and borrowings	69	0	69	<b>192</b>	0
Provisions	18,002	18,018	(16)	<b>18,566</b>	16,821
<b>Total current liabilities</b>	<b>25,551</b>	<b>34,681</b>	<b>(9,130)</b>	<b>35,506</b>	<b>39,550</b>
<b>Non-current liabilities</b>					
Interest bearing loans and borrowings	1,000	0	1,000	<b>788</b>	0
Provisions	1,362	1,406	(44)	<b>1,362</b>	1,406
<b>Total non-current liabilities</b>	<b>2,362</b>	<b>1,406</b>	<b>956</b>	<b>2,150</b>	<b>1,406</b>
<b>Total liabilities</b>	<b>27,913</b>	<b>36,087</b>	<b>(8,174)</b>	<b>37,656</b>	<b>40,956</b>
<b>Net assets</b>	<b>1,218,080</b>	<b>1,218,639</b>	<b>559</b>	<b>1,287,880</b>	<b>1,282,854</b>
<b>Equity</b>					
Accumulated surplus	531,103	535,203	4,100	<b>502,416</b>	501,439
Asset revaluation reserve	675,793	673,397	(2,396)	<b>771,555</b>	769,159
Other reserves	11,184	10,039	(1,145)	<b>13,909</b>	12,256
<b>Total equity</b>	<b>1,218,080</b>	<b>1,218,639</b>	<b>559</b>	<b>1,287,880</b>	<b>1,282,854</b>

# Financial Report

## 9 months ended 31 March 2016

### DAREBIN CITY COUNCIL

#### Statement of Cash Flow

For the 9 months ended 31 March, 2016

	YTD Budget \$'000	YTD Actual \$'000	YTD Variance \$'000	Annual Budget \$'000	Q3 Forecast \$'000
	Inflows (Outflows)	Inflows (Outflows)		Inflows (Outflows)	Inflows (Outflows)
<b>Cash flows from operating activities</b>					
Rates	83,865	87,385	3,520	111,900	112,911
Statutory fees and fines	5,089	5,214	125	6,607	6,789
User fees & charges (inclusive of GST)	9,505	9,005	(500)	12,282	12,590
Government receipts	13,449	11,034	(2,415)	17,493	16,021
Contributions - Monetary	4,790	4,268	(522)	6,849	4,992
Other income	1,001	2,687	1,686	1,460	3,693
Employee costs	(60,742)	(56,769)	3,973	(77,966)	(77,603)
Materials and services (inclusive of GST)	(43,259)	(40,182)	3,077	(59,401)	(60,864)
Net FSPL refund / payment	(2)	(673)	(671)	0	(1)
	13,696	21,969	8,273	19,224	18,528
Interest	1,135	1,253	118	1,631	1,822
Trust funds and deposits	0	427	427	0	0
Net GST refund / payment	5,530	3,881	(1,649)	6,865	6,866
Net cash provided by operating activities	20,361	27,530	7,169	27,720	27,216
<b>Cash flows from investing activities</b>					
Proceeds from sale of property, plant & equipment	448	137	(311)	482	438
Payment for property, infrastr, plant & equipment	(25,328)	(18,100)	7,228	(27,541)	(32,347)
Repayment of loans and advances	41	41	(0)	41	0
Proceeds from sale of other financial assets	0	0	0	0	0
Net cash used in investing activities	(24,839)	(17,922)	6,917	(27,018)	(31,909)
<b>Cash flows from financing activities</b>					
Finance costs	(9)	(9)	0	(21)	(7)
Proceeds of interest bearing loans and borrowings	1,000	0	(1,000)	1,000	0
Repayment of interest bearing loans and borrowings	(101)	(172)	(71)	(192)	(172)
Net cash used in financing activities	890	(181)	(1,071)	786	(179)
<b>Net increase / (decrease) in cash &amp; cash equivalents</b>					
	(3,588)	9,427	13,015	1,488	(4,872)
Cash & cash equivalents at the beginning of the year	37,667	50,909	13,242	37,667	50,909
<b>Cash &amp; cash equivalents at the end of the year</b>	<b>34,079</b>	<b>60,336</b>	<b>26,257</b>	<b>39,155</b>	<b>46,037</b>

Note: Cash and cash equivalents at the beginning of the year includes term deposits with a maturity date exceeding 90 days which are classified as other financial assets in the Balance Sheet (\$4.1M).

**DAREBIN CITY COUNCIL**

**Statement of Cash Flow**

For the 9 months ended 31 March, 2016

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

	YTD Budget \$'000	YTD Actual \$'000	YTD Variance \$'000	Annual Budget \$'000	Q3 Forecast \$'000
Surplus for the year	32,841	39,758	6,917	<b>6,878</b>	8,211
Items not involving cash or non operating in nature					
Depreciation and amortisation	16,682	15,414	(1,268)	<b>22,243</b>	20,816
Interest expense	13	8	(5)	<b>23</b>	7
Bad & doubtful debts	601	764	163	<b>802</b>	1,001
Net (gain) / loss on sale of assets	(448)	53	501	<b>259</b>	316
	<u>49,689</u>	<u>55,997</u>	<u>6,308</u>	<u><b>30,205</b></u>	<u>30,351</u>
Change in operating assets and liabilities					
Decrease / (Increase) in rate debtors	(29,992)	(26,003)	3,988	<b>(1,076)</b>	<b>(1,066)</b>
Decrease / (Increase) in other operating assets	2,453	(1,391)	(3,844)	<b>(2,136)</b>	<b>(1,262)</b>
(Decrease) / Increase in Trade creditors	(1,983)	(2,078)	(95)	<b>244</b>	<b>(244)</b>
(Decrease) / Increase in other operating liabilities	194	373	179	<b>(81)</b>	0
(Decrease) / Increase in provisions	0	632	632	<b>564</b>	<b>(564)</b>
	<u>(29,328)</u>	<u>(28,467)</u>	<u>860</u>	<u><b>(2,485)</b></u>	<u>(3,135)</u>
Net cash provided by operating activities	<u>20,361</u>	<u>27,530</u>	<u>7,169</u>	<u><b>27,720</b></u>	<u>27,216</u>



# Financial Report

## 9 months ended 31 March 2016

### DAREBIN CITY COUNCIL

#### Statement of Capital Works

For the 9 months ended 31 March, 2016

	YTD Budget \$'000	YTD Actual \$'000	YTD Variance \$'000	Annual Budget \$'000	Adjusted Budget \$'000	YTD Adj Budget \$'000	Q3 Forecast \$'000
<b>Property</b>							
Land Improvements	90	56	34	135	135	90	135
Buildings	4,412	3,428	984	6,700	8,056	5,378	8,119
<b>Total property</b>	<b>4,502</b>	<b>3,484</b>	<b>1,018</b>	<b>6,835</b>	<b>8,191</b>	<b>5,468</b>	<b>8,254</b>
<b>Plant &amp; equipment</b>							
Plant, machinery & equipment	2,488	1,632	856	2,708	3,070	2,448	3,031
Fixtures, fittings & furniture	100	270	(170)	130	332	282	332
Computers & telecommunications	1,275	813	462	1,720	2,235	1,615	2,009
Library books	621	578	43	732	732	621	750
<b>Total plant &amp; equipment</b>	<b>4,484</b>	<b>3,293</b>	<b>1,191</b>	<b>5,290</b>	<b>6,369</b>	<b>4,966</b>	<b>6,122</b>
<b>Infrastructure</b>							
Roads	3,880	3,146	734	5,009	6,420	4,755	6,738
Transport & road safety	3,151	1,540	1,611	4,277	3,811	2,641	3,610
Bridges	193	104	89	454	454	193	479
Footpaths & cycleways	1,764	1,427	337	2,252	2,396	1,909	2,331
Drains	719	339	380	1,144	1,381	916	1,178
Recreation, leisure & community facilities	456	388	68	569	623	505	623
Parks, open space & streetscapes	5,397	3,853	1,544	8,743	10,040	6,892	10,367
Off street car parks	32	50	(18)	42	42	32	42
Other infrastructure	85	89	(4)	85	85	85	85
<b>Total infrastructure</b>	<b>15,677</b>	<b>10,936</b>	<b>4,741</b>	<b>22,575</b>	<b>25,252</b>	<b>17,928</b>	<b>25,453</b>
<b>Total capital works</b>	<b>24,663</b>	<b>17,713</b>	<b>6,950</b>	<b>34,700</b>	<b>39,812</b>	<b>28,362</b>	<b>39,829</b>
<b>Represented by:</b>							
Asset renewal	9,558	6,791	2,767	13,855	16,148	11,160	16,295
New assets	3,047	2,165	882	4,417	5,148	3,558	5,196
Asset expansion	1,542	1,096	446	2,236	2,605	1,801	2,630
Asset upgrade	4,850	3,446	1,404	7,031	8,194	5,663	8,269
<b>Capital expenditure</b>	<b>18,998</b>	<b>13,499</b>	<b>5,499</b>	<b>27,539</b>	<b>32,097</b>	<b>22,182</b>	<b>32,389</b>
Major maintenance	5,665	4,214	1,451	7,161	7,715	6,180	7,439
<b>Total capital works</b>	<b>24,663</b>	<b>17,713</b>	<b>6,950</b>	<b>34,700</b>	<b>39,812</b>	<b>28,363</b>	<b>39,829</b>