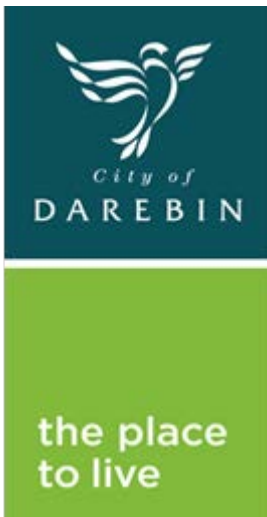


FINANCIAL REPORT

Six months ended
31 December 2016



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Financial Report

6 months ended 31 December 2016

1 EXECUTIVE SUMMARY

1.1 Operating performance

	YTD Budget \$'000	YTD Actual \$'000	YTD Var \$'000	Adopted Budget \$'000	Forecast \$'000
Operating					
Revenue	141,422	142,439	1,017	164,326	164,793
Expenditure	(79,087)	(73,549)	5,538	(153,902)	(154,675)
Surplus (deficit)	62,335	68,890	6,555	10,424	10,118
Capital & other					
Revenue / grants	(1,095)	(192)	903	(1,115)	(485)
Developer contributions	(1,750)	(2,971)	(1,221)	(3,500)	(4,843)
Adjusted underlying surplus	59,490	65,727	6,237	5,809	4,790

For the 6 months ended 31 December 2016 Council has recorded an operating surplus of \$68.89 million, which is \$6.56 million ahead of the year to date budget. After eliminating capital and other items, the adjusted underlying surplus is \$65.73 million, which is \$6.24 million ahead of budget.

The main items contributing to this favourable variance are employee costs, materials and services, operating grants and monetary contributions. The forecast operating result for the year ending 30 June 2017 is an operating surplus of \$10.12 million, which is \$0.31 million less than budget. The forecast adjusted underlying surplus is \$4.79 million, which is \$1.02 million less than budget.

1.2 Capital performance

	YTD Budget \$'000	YTD Actual \$'000	YTD Var \$'000	Adopted Budget \$'000	Adjusted Budget \$'000	Forecast \$'000
Property	5,732	3,524	2,208	10,525	10,525	17,702
Plant & equipment	3,164	2,524	640	6,017	6,618	6,636
Infrastructure	13,635	5,825	7,810	24,980	25,989	27,319
Total capital works	22,531	11,873	10,658	41,522	43,132	51,657

For the 6 months ended 31 December 2016, Council has expended \$11.87 million on the capital works program, which is \$10.66 million behind the year to date budget. The variance is due mainly to delays in buildings works, roads, drainage and parks, open space and streetscapes.

As at 31 December 2016 a further \$14.48 million has been committed by way of issued purchase orders. Commitments are not reflected in the reported capital expenditure and may indicate that many projects are well advanced. The forecast total to be expended on capital works for the year ending 30 June 2017 is \$51.66 million, which is \$10.14 million more than the adopted budget.

1.3 Financial position

	YTD Budget \$'000	YTD Actual \$'000	YTD Var \$'000	Adopted Budget \$'000	Forecast \$'000
Cash and investments	39,524	74,772	35,248	46,925	49,384
Net current assets	74,598	113,918	39,320	21,967	30,551
Net assets and total equity	1,345,189	1,336,591	(8,598)	1,296,100	1,277,818

The Financial Position as at 31 December 2016 shows a cash and investment balance of \$74.77 million which is \$35.25 million ahead of budget. The variance is due mainly to timing differences in receipt of rates, government grants, contributions, payments to employees and suppliers, delay

Financial Report

6 months ended 31 December 2016

in payments for capital works and a higher opening cash and investment position compared with budget.

The cash and investment balance of \$74.77 million was sufficient to meet restricted cash and intended allocation obligations of \$42.05 million at the end of December. 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 \$113.92 million which is \$39.32 million more than budget. The net asset position of \$1.34 billion is \$8.60 million less than budget. The forecast Financial Position as at 30 June 2017 shows a cash position of \$49.38 million and net current assets of \$30.55 million.

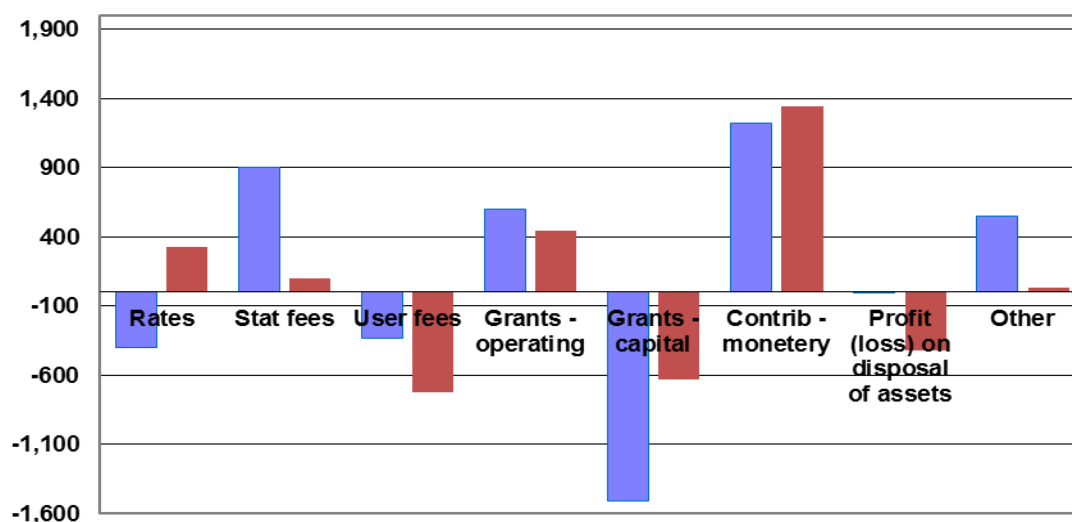
2. FINANCIAL ANALYSIS

2.1 Operating performance

2.1.1 Operating income

	YTD Budget \$'000	YTD Actual \$'000	YTD Bud Var \$'000	Adopted Budget \$'000	Q2 Forecast \$'000	Forecast Variance \$'000
Income						
Rates and charges	117,532	117,131	(401)	118,788	119,114	326
Statutory fees and fines	3,449	4,349	900	7,308	7,406	98
User fees	6,441	6,112	(329)	12,400	11,678	(722)
Grants - operating	8,212	8,811	599	15,292	15,734	442
Grants - capital	1,849	337	(1,512)	2,123	1,493	(630)
Contributions - monetary	1,750	2,971	1,221	3,500	4,843	1,343
Net gain (loss) on disposal of assets	18	10	(8)	(20)	(443)	(423)
Other income	2,171	2,718	547	4,935	4,968	33
Total income	141,422	142,439	1,017	164,326	164,793	467

Income YTD & Forecast variances



Financial Report
6 months ended 31 December 2016

Major Operating Income Variances

	Var	YTD Fav Budget \$'000	YTD Unfav Budget \$'000	F'cast Fav Budget \$'000	F'cast Unfav Budget \$'000
Rates and charges			401	326	
Special charge – Solar \$aver	P		970		237
Supplementary rates	P	520		520	
Rebates & other adjustments	P	69		50	
Statutory fees & fines		900		98	
Civic compliance	P	375		99	
Health protection	T	98			
Statutory planning	T	417			
User fees			329		722
Property Management	P	201		54	
Access & support	P				78
Arts precincts	P		119		192
Civic compliance	P				56
Leisure contracts	P		137		333
Reservoir Leisure Centre	T		104		
Transport engineering	P		60		79
Grants - operating		599		442	
Access & support	P	307		229	
Family services	P	163		215	
Transport strategy	P			64	
Aged & disability	P		75		150
Grants - capital			1,512		630
Creek corridor shared path	T		60		
DISC stormwater harvesting	P/CF		650		650
John Cain reserve	P/CF				90
Merri Creek pedestrian bridge	T		75		
Roads to recovery	T		109		
Slope remediation	T		500		
WH Robinson reserve	P/CF				90
Inner city netball program	T	68			
Active Transport Infrastructure	T	50			
SRV facility funding	P			196	
Contributions - monetary		1,221		1,343	
Public open space	T	1,221		1,343	
Net gain / (loss) on sale of pip&e			8		423
WDV of assets sold	P	75			427
Other		547		33	
Interest on investments, loans & rates	P	243		321	
Parental leave recoup	P	67		108	
WorkCover salary recoup	P	255		255	
Infrastructure maintenance & support	P		224		501

Note: Var T = Timing P = Permanent CF = Carried forward prior year
Fav – Favourable against budget, Unfav – Unfavourable against budget
Forecast figures still to be reviewed with Directors, Managers and Finance prior to finalisation

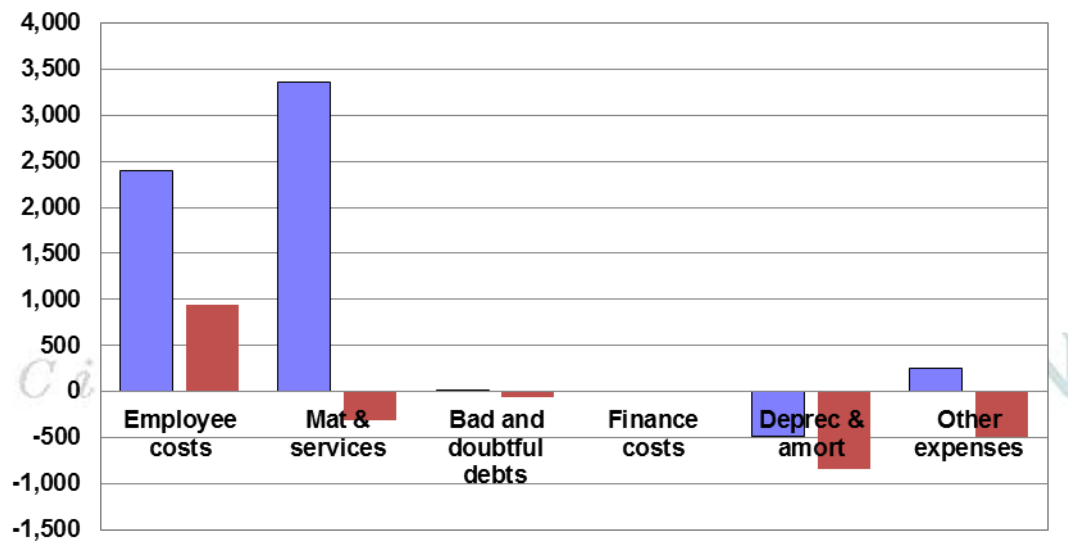
Financial Report

6 months ended 31 December 2016

2.1.2 Operating expenses

Expense type	YTD Budget \$'000	YTD Actual \$'000	YTD Bud Var \$'000	Adopted Budget \$'000	Q2 Forecast \$'000	Forecast Variance \$'000
Expenses						
Employee costs	41,605	39,207	2,398	82,482	81,547	935
Materials and services	21,291	17,933	3,358	41,544	41,856	(312)
Bad and doubtful debts	475	464	11	951	1,010	(59)
Depreciation and amortisation	10,416	10,897	(481)	20,832	21,670	(838)
Finance costs	0	0	0	0	0	0
Other expenses	5,300	5,048	252	8,093	8,592	(499)
Total expenses	79,087	73,549	5,538	153,902	154,675	(773)

Expenses YTD & Forecast variances



Financial Report
6 months ended 31 December 2016

Major Operating Expense Variances

	Var	YTD Fav Budget \$'000	YTD Unfav Budget \$'000	F'cast Fav Budget \$'000	F'cast Unfav Budget \$'000
Employee costs		2,398		935	
Access & support	P	444		443	
Advocacy & communications	P			144	
Bundoora Park farm	T	62			
Bushland	T	73			
Children & community	T	72			
City works & contracts	P	51		145	
Civic compliance	T	69			
Community engagement	P	50		161	
Community participation	T	151			
Customer service	T	83			
Environment & community outcomes	T	108			
Environmental operations	P	207		99	
Equity & diversity	T	93			
Family services	T	104			
Human resources	P	208		128	
Libraries	P	90			77
IS Infrastructure	P	78		191	
Operations & environment	P	108		139	
Park infrastructure	P	144		109	
Statutory planning	T	146			
Transport engineering	P	66		88	
Business transformation	P				97
Capital Delivery/Engineering Services	P		53	304	
Corporate initiatives	T		286		
Council plan & performance	P				97
City design & strategic planning	P				126
Creative culture & events	P				119
Governance & corporate information	P				83
Employee leave provisions	P				754
WorkCover salary	P				124
Materials and services		3,358			312
Access & support	P	146		142	
Arboriculture planning	T	72			
Arts precincts	P	219		419	
Asset strategy & service planning	T	119			
City design & strategic planning	P	240		86	
Community facilities	T	92			
Corporate initiatives	T	325			
Libraries	T	61			
Economic development & employment	T	72			
Energy & resilience	P	136		122	
Environmental operations	T	191			
Facility management	P	76		80	
Fleet maintenance	T	61			
Infrastructure maintenance & support	P	158		490	
Operation projects from capital works	CF,T	1,180			
Special charge – Solar \$aver	P	621		76	
Youth services	P	106			63
Capital delivery	P		68		399
Children & community	P				107
Civic compliance	P		152		165
Client & information services	T		56		
Community response	P		98		143

Financial Report

6 months ended 31 December 2016

	Var	YTD Fav Budget \$'000	YTD Unfav Budget \$'000	F'cast Fav Budget \$'000	F'cast Unfav Budget \$'000
Council plan & performance	P				100
Family services	P				149
Human resources	P		50		115
IS Infrastructure	P				191
Statutory planning	P		72		107
Transport engineering	P		129		229
Waste & water strategy	P				249
Depreciation and amortisation			481		838
Infrastructure	P		277		462
Plant & equipment	P		55		76
Property	P		99		199
Other		252			499
Public places	T	245			
Arts precincts	P		98		296
Planning & building services	T		66		
Special rates	P/CF				120

Note: Var T = Timing P = Permanent CF = Carried forward prior year,
 Fav – Favourable against budget, Unfav – Unfavourable against budget
 Forecast figures still to be reviewed with Directors, Managers and Finance prior to finalisation



Financial Report

6 months ended 31 December 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	423	416	7	860	856
City Futures & Assets	7,854	7,152	702	15,363	16,619
Operations & Environment	15,148	13,272	1,876	32,556	31,322
Community Development	13,653	11,871	1,782	27,273	27,521
Corporate Services	6,485	5,901	584	11,804	11,547
Civic Governance & Compl.	2,517	1,936	580	4,429	4,770
	46,081	40,551	5,529	92,285	92,635
Other non-attributable ¹	(108,414)	(109,441)	1,026	(102,709)	(102,753)
Net (surplus) deficit	(62,335)	(68,890)	6,555	(10,424)	(10,118)

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

6 months ended 31 December 2016

2.2 Capital performance

	YTD Budget \$'000	YTD Actual \$'000	YTD Bud Var \$'000	Adopted Budget \$'000	Adjusted Budget \$'000	F'cast \$'000
Capital Projects						
Property						
Land	0	0	0	0	0	7,170
Land Improvements	20	20	0	95	95	95
Buildings	2,491	920	1,571	5,879	5,877	5,886
Building Improvements	218	14	204	517	517	517
Lease Improvements	2,050	1,866	184	2,050	2,050	2,050
Total Property	4,779	2,820	1,959	8,541	8,539	15,718
Plant & Equip.						
Plant, machinery & eq.	1,341	1,409	(68)	2,958	3,298	3,298
Fixtures, fit & furn.	104	14	90	155	155	155
Computers & telecom.	1,013	580	433	1,692	1,929	1,929
Library books	505	449	56	751	751	769
Total Plant & Equip.	2,963	2,452	511	5,556	6,133	6,151
Infrastructure						
Roads	1,518	677	841	6,520	6,503	6,503
Transport / road safety	1,166	552	614	2,060	2,060	2,060
Bridges	185	28	157	220	220	220
Footpaths & cycleways	1,933	1,403	530	3,226	3,226	3,106
Drains	1,124	195	929	1,978	2,054	2,074
Recreation, leis facil.	289	33	256	464	464	464
Parks, open space & str.	5,948	2,267	3,681	7,275	7,937	9,387
Total Infrastructure	12,163	5,155	7,008	21,743	22,464	23,814
Total capital works	19,905	10,427	9,478	35,840	37,136	45,683
Operational Projects						
Property						
Land Improvements	110	190	(80)	170	170	170
Buildings	501	255	246	1,418	1,418	1,418
Building Improvements	342	259	83	396	396	396
Total Property	953	704	249	1,984	1,984	1,984
Plant & Equip.						
Plant, machinery & eq.	20	40	(20)	75	99	99
Fixtures, fit & furn.	35	0	35	35	35	35
Computers & telecom.	146	32	114	351	351	351
Total Plant & Equip.	201	72	129	461	485	485
Infrastructure						
Roads	244	128	116	494	494	494
Transport / road safety	196	44	152	372	410	410
Bridges	45	2	43	75	75	75
Footpaths & cycleways	342	185	157	831	831	831
Drains	70	8	62	245	375	375
Recreation, leis facil.	30	0	30	60	60	60
Parks, open space & str.	545	303	242	1,160	1,280	1,280
Total Infrastructure	1,472	670	802	3,237	3,525	3,525
Total operation projects	2,626	1,446	1,180	5,682	5,994	5,994

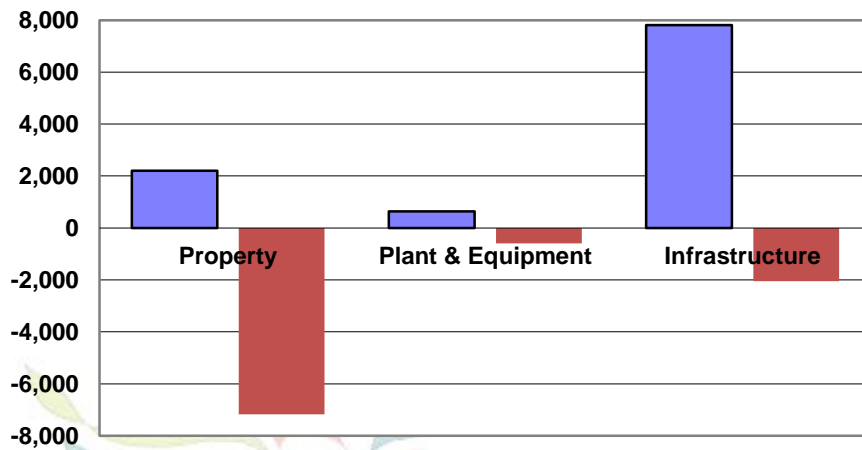
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6 months ended 31 December 2016

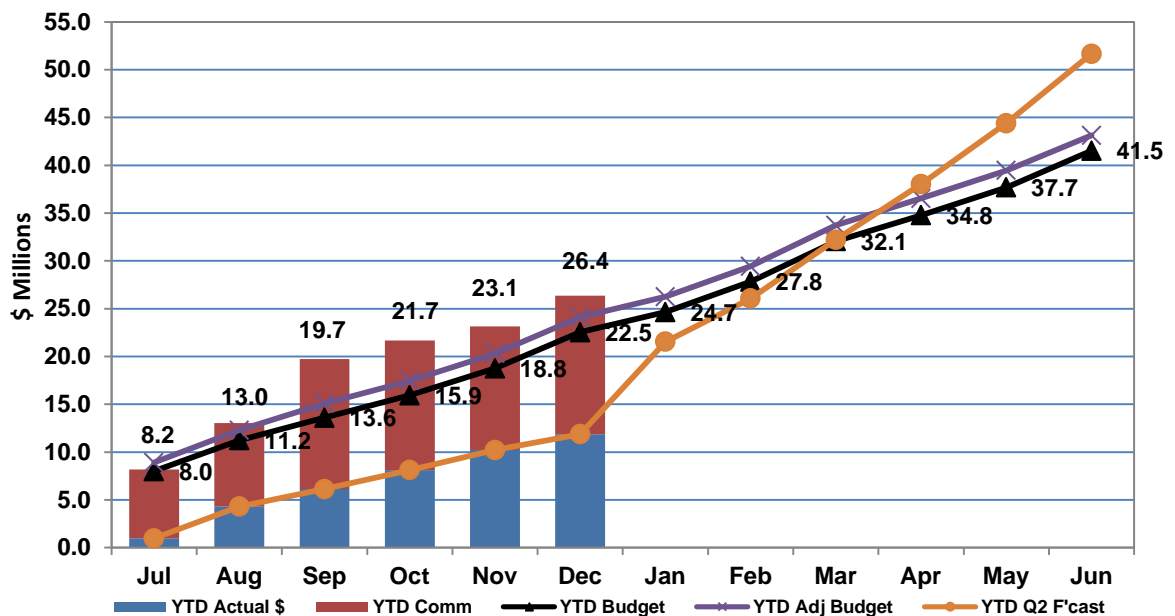
Represented by:

Asset renewal	11,939	6,253	5,686	21,494	22,272	23,085
New assets	4,564	2,391	2,173	8,218	8,516	15,997
Asset expansion	325	170	155	585	606	628
Asset upgrade	3,078	1,613	1,465	5,543	5,744	5,953
Capital expenditure	19,905	10,427	9,478	35,840	37,138	45,663
Operational projects	2,626	1,446	1,180	5,682	5,994	5,994
Total capital works	22,531	11,873	10,658	41,522	43,132	51,657

Capital works YTD variances by asset class



Capital works YTD & Committed expenditure cumulative



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6 months ended 31 December 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
Property			1,959	7,177	
Land				7,170	
Ruthven / Lakeside	P			7,170	
Buildings			1,571		
DCSS	T	59			
GH Mott pavilion	T		100		
Multi-sports stadium	T,CF		284		
NARC masterplan	T,CF		268		
NARC redevelopment	T		230		
Neighbourhood houses	T		201		
PRACE portable buildings	T		104		
Public convenience works	T		180		
East Preston neighbourhood house	T,CF	77			
Building improvements			204		
Disability access	P,CF		193		
Leasehold improvements			184		
Regional animal welfare facility	T		184		
Plant & Equipment			511	595	
Plant, machinery & equipment		68		340	
Plant replacement	P,CF .E	99		340	
Mobile garbage bin replacement	T	97			
Furniture, fixture & fittings			90		
Darebin libraries facilities & furn	T		69		
Computer equipment			433	237	
Intranet CMS replacement	T		168		
Health protection software	T		71		
IT infrastructure	T		41		
Library device lending	T		95		
Aged & disability system	P,CF	50		83	
GPS tracking equipment	P,CF	96		179	
Library books			56		
Library product purchases	T		57		
Infrastructure			7,008	2,071	
Roads			841		
Kerb & channel renewal	T		94		
Right of way renewal program	T		65		
Road resurface program	T		123		
Road rehab – Northernhay St	P,CF .E		124		
Roundabout & roadside planting	T		146		
Slope remediation	P,CF		270		
Transport & road safety			614		
Traffic management program	T		536		
Bridges			157		
Merri Ck pedestrian bridge	T,E		150		
Footpath & cycle ways			530		120
Active transport infrastructure	P		107		120
Creek corridor shared path	T		80		
Shared path – parks renewal	T		293		
St Georges Rd bicycle path	T		60		
Footpath renewal	T	64			
Drains			929	96	
DISC stormwater harvesting	T,E		719		
Drainage improvement works	P,CF		71	82	

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6 months ended 31 December 2016

	Var	YTD Ahead of Budget \$'000	YTD Behind Budget \$'000	F'cast Ahead of Budget \$'000	F'cast Behind Budget \$'000
Recreation, leisure & comm fac.			256		
Bundoora Park works	T		82		
Sportsfield lighting	T		66		
Parks, open space & streetscape			3,681	2,112	
AH Capp / WH Robinson Reserves	P,CF ,E		152	90	
Batman Park – master plan	T,CF		322		
Big parks master plan	P,CF		328		
City wide beautification **	T,CF		26		
Darebin Parklands - entry	T		96		
Fairfield Village streetscape	T		159		
Former Preston Girls HS	T		166		
Irrigation upgrades	T		54		
John Cain Res sportsfield lighting	P,CF ,E		149	90	
Junction urban master plan **	P,CF		904		
Playspace upgrades	P,CF		395		217
Pitcher Park - drainage	T		213		
Pocket parks renewal	T		230		
Retail activity centre	T		438		
Reservoir streetscape	P,CF		162	462	
All Nations Park activation	P,CF			239	
DISC synthetic surface	P			1,450	
Warm season turf	T	80			

Note: Var T = Timing P = Permanent CF = Carried forward prior/next year E = Externally funded
IF = Infrastructure Funded project
Note – ** City wide beautification works (\$2.0M) have been split into 11 individual projects

Major Operational Works Variances

	Var	YTD Ahead of Budget \$'000	YTD Behind Budget \$'000	F'cast Ahead of Budget \$'000	F'cast Behind Budget \$'000
Property			249		
Land improvements		80			
Warm season turf	T	80			
Buildings			246		
Maintenance backlog	T		116		
NARC masterplan	T,CF		43		
Building improvements			83		
No individual significant item					
Plant & Equipment			129		
Computers & telecomm's			114		
Business systems enhancements	T		96		
Infrastructure			802	288	
Roads			116		
No individual significant item					
Transport & road safety			152	38	
Travel safe program	P,CF		151	38	
Footpath & cycle ways			157		
Cycling initiatives	T		129		
Drains			62	130	
TW Blake water sensitive	T		70		
Strategic water outcomes	P,CF			107	

Financial Report
6 months ended 31 December 2016

	Var	YTD Ahead of Budget \$'000	YTD Behind Budget \$'000	F'cast Ahead of Budget \$'000	F'cast Behind Budget \$'000
<i>Parks, open space & streetscape</i>			242	120	
Edwardes Lake park	T		58		
Former Ruthven PS	T		50		
Thornbury streetscape	T		80		
Green streets implementation	P,CF	87		91	

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



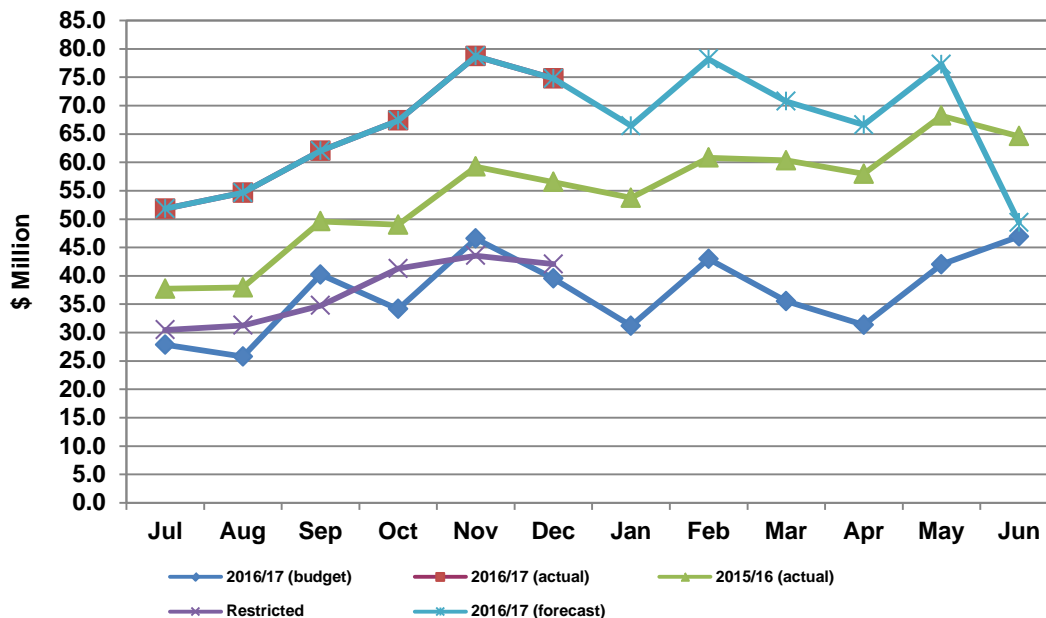
Financial Report

6 months ended 31 December 2016

2.3 Financial position

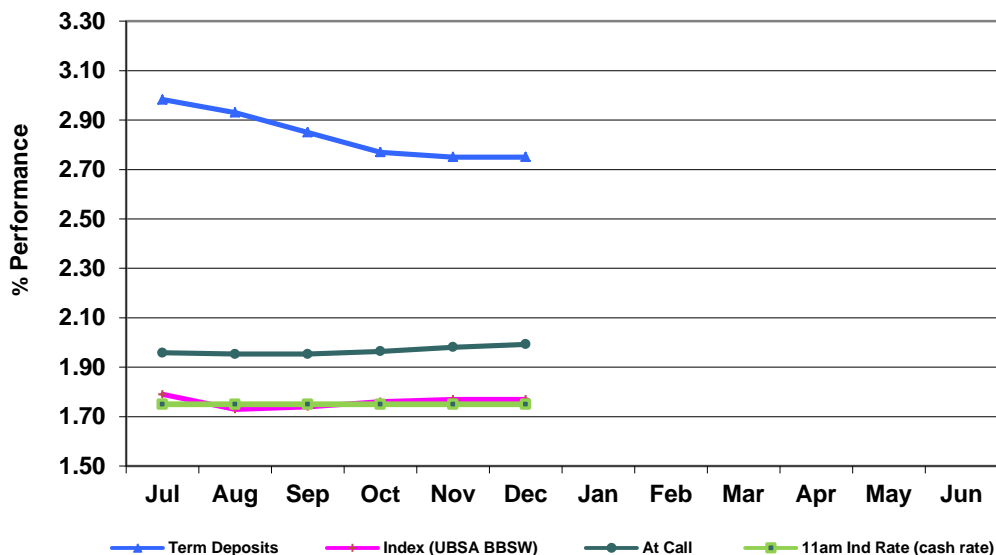
	YTD Budget \$'000	YTD Actual \$'000	YTD Var \$'000	Adopted Budget \$'000	Forecast \$'000
Cash and investments	39,524	74,772	35,248	46,925	49,384
Net current assets	74,598	113,918	39,320	21,967	30,551
Net assets and total equity	1,345,189	1,336,591	(8,598)	1,296,100	1,277,818

Actual & Budget cash & investments balance by month

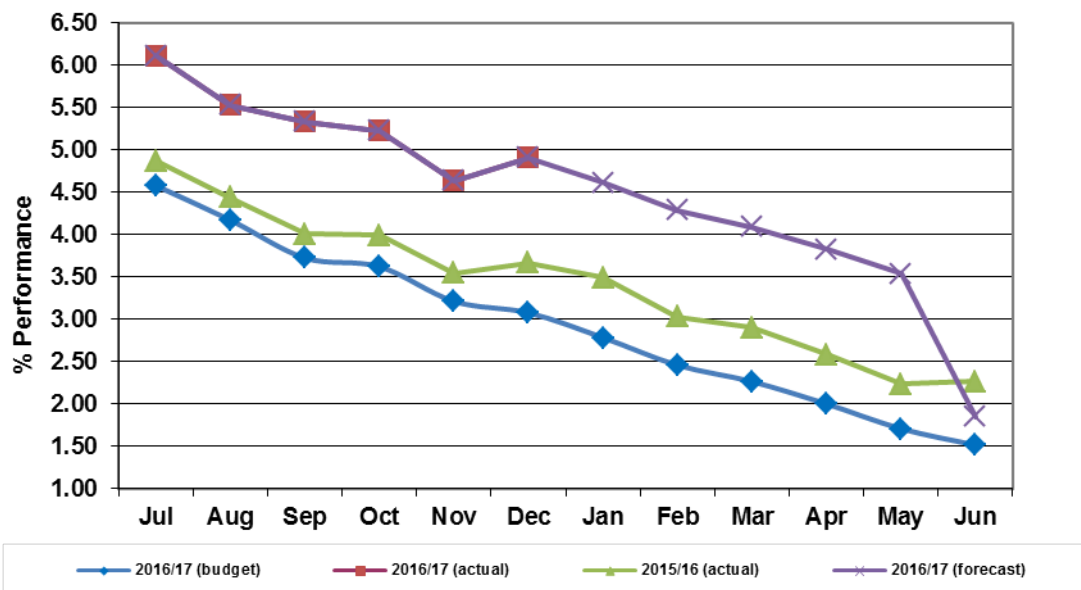


Note: Cash and investments include term deposits with a maturity date exceeding 90 days which are classified as other financial assets in the Balance Sheet (\$26.09M).

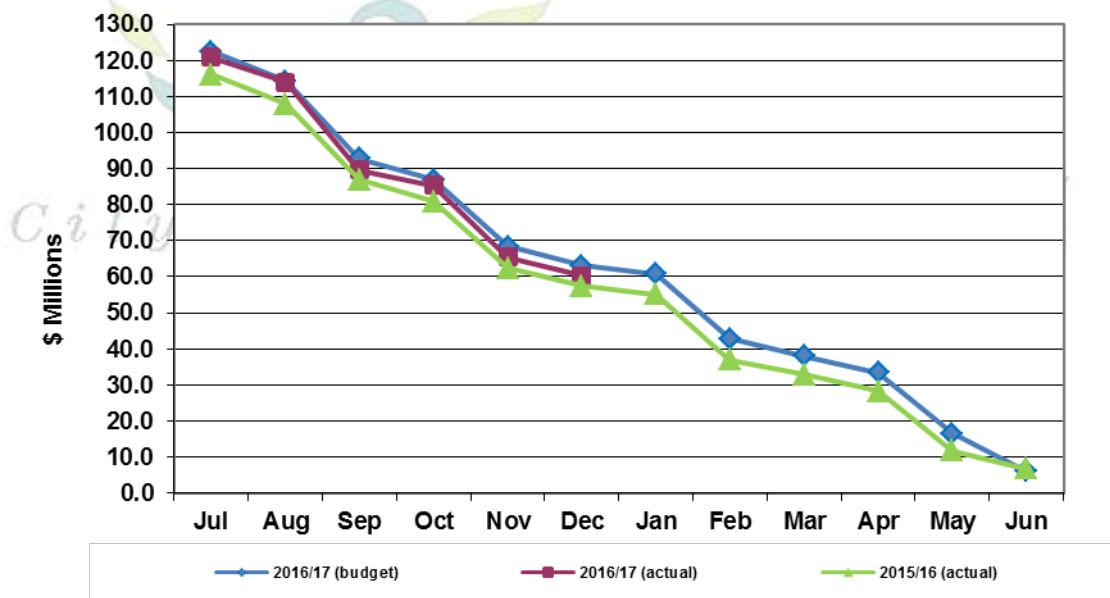
Cash & Investment Weighted Average Interest Rate v Benchmark



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



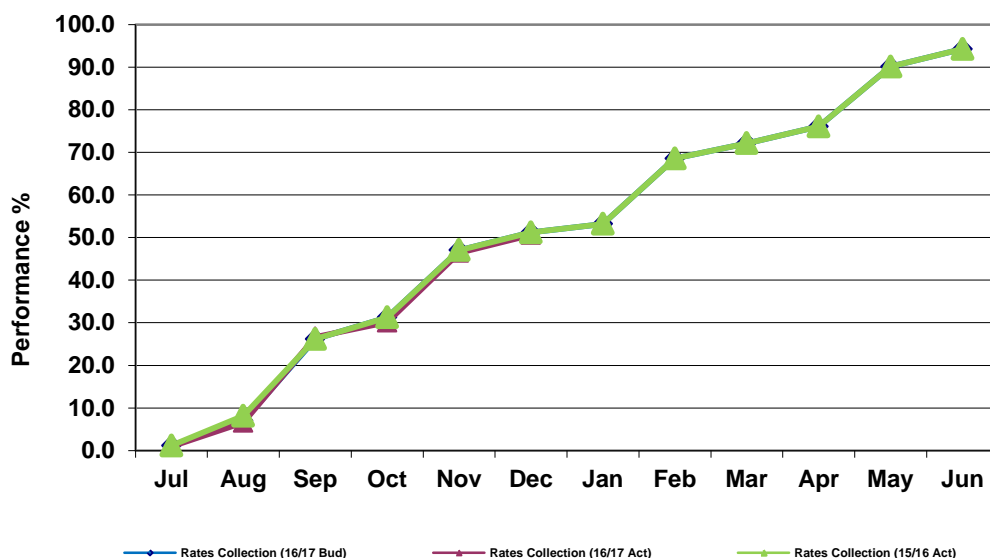
Actual & Budget rates outstanding balances by month



Financial Report

6 months ended 31 December 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
Current assets		32,588		1,816	
Cash and investments	CF,P *	35,248		2,459	
Rate receivables	T		5,309		773
Other receivables	T	2,220			12
Inventories	P		28		28
Other assets	P	457		171	
Current liabilities		6,732		6,768	
Trade creditors	T	2,280		2,790	
Other payables	P	6,953		5,710	
Trust funds and deposits	P		526		1,016
Employee provisions	P		1,975		716
Non-current assets			47,619		26,567
Property, Infra. plant & equipment	P		47,631		25,497
Intangible assets	P		50		1,131
Investment property	P	62		61	
Non-current liabilities			299		299
Employee provisions	P		299		299
Equity		8,598		18,282	
Accumulated surplus	P	11,641		14,251	
Asset revaluation reserve	P		27,002		32,108
Other reserves	P	6,763			435

*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 (\$22.32M).

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
6 months ended 31 December 2016

DAREBIN CITY COUNCIL
Comprehensive Income Statement

For the 6 months ended 31 December, 2016

	YTD Budget	YTD Actual	YTD Variance	Annual Budget	Q2 Forecast
	\$'000	\$'000	\$'000	\$'000	\$'000
Income					
Rates and charges	117,532	117,131	(401)	118,788	119,114
Statutory fees and fines	3,449	4,349	900	7,308	7,406
User fees	6,441	6,112	(329)	12,400	11,678
Grants - operating	8,212	8,811	599	15,292	15,734
Grants - capital	1,849	337	(1,512)	2,123	1,493
Contributions - monetary	1,750	2,971	1,221	3,500	4,843
Net gain (loss) on disposal of property, infrastructure, plant and equipment	18	10	(8)	(20)	(443)
Other income	2,171	2,718	547	4,935	4,968
Total income	141,422	142,439	1,017	164,326	164,793
Expenses					
Employee costs	41,605	39,207	2,398	82,482	81,547
Materials and services	21,291	17,933	3,358	41,544	41,856
Bad and doubtful debts	475	464	11	951	1,010
Depreciation and amortisation	10,416	10,897	(481)	20,832	21,670
Borrowing costs	0	0	0	0	0
Other expenses	5,300	5,048	252	8,093	8,592
Total expenses	79,087	73,549	5,538	153,902	154,675
Surplus for the year	62,335	68,890	6,555	10,424	10,118
Less					
Grants - capital (non-recurrent)	(1,095)	(192)	903	(1,115)	(485)
Contributions - monetary	(1,750)	(2,971)	(1,221)	(3,500)	(4,843)
Adjusted underlying surplus/ (deficit)	59,490	65,727	6,237	5,809	4,790

Financial Report
6 months ended 31 December 2016

DAREBIN CITY COUNCIL

Balance Sheet

As at 31 December 2016

	YTD Budget \$'000	YTD Actual \$'000	YTD Variance \$'000	Annual Budget \$'000	Q2 Forecast \$'000
Current assets					
Cash and cash equivalents	35,421	48,687	13,266	42,822	45,281
Trade and other receivables	69,327	66,238	(3,089)	16,156	15,371
Other financial assets	4,103	26,085	21,982	4,103	4,103
Inventories	94	66	(28)	94	65
Other assets	1,546	2,003	457	1,469	1,640
Total current assets	110,491	143,079	32,588	64,644	66,460
Non-current assets					
Trade and other receivables	114	114	0	114	114
Property, infrastructure, plant & equipment	1,268,163	1,220,532	(47,631)	1,270,809	1,245,312
Investment property	2,806	2,868	62	2,806	2,867
Intangible assets	678	628	(50)	1,574	443
Other financial assets	236	236	0	236	236
Total non-current assets	1,271,997	1,224,378	(47,619)	1,275,539	1,248,972
Total assets	1,382,488	1,367,457	(15,031)	1,340,183	1,315,432
Current liabilities					
Trade and other payables	14,624	5,391	9,233	19,511	11,011
Trust funds and deposits	4,448	4,974	(526)	4,135	5,151
Interest bearing loans and borrowings	0	0	0	0	0
Provisions	16,821	18,796	(1,975)	19,031	19,747
Total current liabilities	35,893	29,161	6,732	42,677	35,909
Non-current liabilities					
Interest bearing loans and borrowings	0	0	0	0	0
Provisions	1,406	1,705	(299)	1,406	1,705
Total non-current liabilities	1,406	1,705	(299)	1,406	1,705
Total liabilities	37,299	30,866	6,433	44,083	37,614
Net assets	1,345,189	1,336,591	(8,598)	1,296,100	1,277,818
Equity					
Accumulated surplus	563,774	575,415	11,641	509,891	524,152
Asset revaluation reserve	769,159	742,157	(27,002)	774,265	742,157
Other reserves	12,256	19,019	6,763	11,944	11,509
Total equity	1,345,189	1,336,591	(8,598)	1,296,100	1,277,818

Financial Report

6 months ended 31 December 2016

DAREBIN CITY COUNCIL

Statement of Cash Flow

For the 6 months ended 31 December, 2016

	YTD Budget \$'000	YTD Actual \$'000	YTD Variance \$'000	Annual Budget \$'000	Q2 Forecast \$'000
	Inflows (Outflows)	Inflows (Outflows)		Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities					
Rates	60,794 [▲]	63,173	2,379	117,796	118,466
Statutory fees and fines	3,451	3,987	536	5,883	4,935
User fees & charges (inclusive of GST)	6,944	6,804	(140)	14,207	11,943 [▲]
Government receipts	11,811	9,148	(2,663)	20,915	17,377
Contributions - Monetary	566	2,971	2,405	1,588	4,843
Other income	927	1,686	759	1,734	3,297
Employee costs	(41,330)	(39,941)	1,389	(81,315)	(80,529)
Materials and services (inclusive of GST)	(31,426)	(27,666)	3,760	(58,194)	(59,001)
Net FSPL refund / payment	0	(673)	(673)	0	(1)
	11,737	19,489	7,752	22,614	21,330
Interest	678	878	200	1,612	1,933
Trust funds and deposits	0	207	207	0	0
Net GST refund / payment	4,508	3,127	(1,381)	6,990	7,431
Net cash provided by operating activities	16,923 [▲]	23,701	6,778	31,217	30,694
Cash flows from investing activities					
Proceeds from sale of property, plant & equipment	256	331	75	455	459
Payment for property, infrastr, plant & equipment	(23,692) [▲]	(13,865)	9,827	(30,783)	(46,374)
Repayment of loans and advances	0	0	0	0	0
Proceeds from sale of other financial assets	0	0	0	0	0
Net cash used in investing activities	(23,436)	(13,534)	9,902	(30,328)	(45,915)
Cash flows from financing activities					
Finance costs	0	0	0	0	0
Proceeds of interest bearing loans and borrowings	0	0	0	0	0
Repayment of interest bearing loans and borrowings	0	0	0	0	0
Net cash used in financing activities	0	0	0	0	0
Net increase / (decrease) in cash & cash equivalents					
	(6,513)	10,167	16,680	889	(15,221)
Cash & cash equivalents at the beginning of the year	46,037	64,605	18,568	46,037	64,605
Cash & cash equivalents at the end of the year	39,524	74,772	35,248	46,926	49,384

Note: Cash and cash equivalents at the beginning of the year includes term deposits with a maturity date exceeding 90 days which are classified other financial assets in the Balance Sheet (\$19.16M).

Financial Report
6 months ended 31 December 2016

DAREBIN CITY COUNCIL

Statement of Cash Flow

For the 6 months ended 31 December, 2016

Reconciliation of cash flows from operating activities to surplus

	YTD Budget	YTD Actual	YTD Variance	Annual Budget	Q2 Forecast
	\$'000	\$'000	\$'000	\$'000	\$'000
Surplus for the year	62,335	68,890	6,555	10,424	10,118
Items not involving cash or non operating in nature					
Depreciation and amortisation	10,416	10,897	481	20,832	21,670
Interest expense	0	0	0	0	0
Bad & doubtful debts	475	464	(11)	951	1,010
Net (gain) / loss on sale of assets	(18)	(10)	8	20	443
	<u>73,208</u>	<u>80,241</u>	<u>7,033</u>	<u>32,227</u>	<u>33,241</u>
Change in operating assets and liabilities					
Decrease / (Increase) in rate debtors	(57,887)	(53,958)	3,929	(741)	(648)
Decrease / (Increase) in other operating assets	1,889	(103)	(1,992)	(2,011)	(2,917)
(Decrease) / Increase in Trade creditors	(3,526)	(2,295)	1,231	2,136	0
(Decrease) / Increase in other operating liabilities	3,239	(69)	(3,308)	(1,219)	0
(Decrease) / Increase in provisions	0	(115)	(115)	825	1,018
	<u>(56,285)</u>	<u>(56,540)</u>	<u>(255)</u>	<u>(1,010)</u>	<u>(2,547)</u>
Net cash provided by operating activities	<u>16,923</u>	<u>23,701</u>	<u>6,778</u>	<u>31,217</u>	<u>30,694</u>



Financial Report

6 months ended 31 December 2016

DAREBIN CITY COUNCIL

Statement of Capital Works

For the 6 months ended 31 December, 2016

	YTD Budget \$'000	YTD Actual \$'000	YTD Variance \$'000	Annual Budget \$'000	Adjusted Budget \$'000	YTD Adj Budget \$'000	Q2 Forecast \$'000
Capital works							
Property							
Land	0	0	0	0	0	0	7,170
Land Improvements	20	20	0	95	95	70	95
Buildings	2,491	920	1,571	5,879	5,879	2,505	5,886
Building improvements	218	14	204	517	517	274	517
Leasehold improvements	2,050	1,866	184	2,050	2,050	2,050	2,050
Total property	4,779	2,820	1,959	8,541	8,541	4,899	15,718
Plant & equipment							
Plant, machinery & equipment	1,341	1,409	(68)	2,958	3,298	1,682	3,298
Fixtures, fittings & furniture	104	14	90	155	155	104	155
Computers & telecommunications	1,013	580	433	1,692	1,929	1,068	1,929
Library books	505	449	56	751	751	505	769
Total plant & equipment	2,963	2,452	511	5,556	6,133	3,359	6,151
Infrastructure							
Roads	1,518	677	841	6,520	6,503	1,486	6,503
Transport & road safety	1,166	552	614	2,060	2,060	1,166	2,060
Bridges	185	28	157	220	220	185	220
Footpaths & cycleways	1,933	1,403	530	3,226	3,226	1,729	3,106
Drainage	1,124	195	929	1,978	2,054	1,201	2,054
Recreation, leisure & community facilities	289	33	256	464	464	275	464
Parks, open space & streetscapes	5,948	2,267	3,681	7,275	7,937	6,724	9,387
Off street car parks	0	0	0	0	0	0	0
Other infrastructure	0	0	0	0	0	0	0
Total infrastructure	12,163	5,155	7,008	21,743	22,464	12,766	23,794
Total capital works	19,905	10,427	9,478	35,840	37,138	21,024	45,663

Financial Report

6 months ended 31 December 2016

DAREBIN CITY COUNCIL

Statement of Capital Works

For the 6 months ended 31 December, 2016

	YTD Budget \$'000	YTD Actual \$'000	YTD Variance \$'000	Annual Budget \$'000	Adjusted Budget \$'000	YTD Adj Budget \$'000	Q2 Forecast \$'000
Operational works							
Property							
Land Improvements	110	190	(80)	170	170	110	170
Buildings	501	255	246	1,418	1,418	494	1,418
Building improvements	342	259	83	396	396	342	396
Total property	953	704	249	1,984	1,984	946	1,984
Plant & equipment							
Plant, machinery & equipment	20	40	(20)	75	99	44	99
Fixtures, fittings & furniture	35	0	35	35	35	35	35
Computers & telecommunications	146	32	114	351	351	297	351
Total plant & equipment	201	72	129	461	485	376	485
Infrastructure							
Roads	244	128	116	494	494	259	494
Transport & road safety	196	44	152	372	410	234	410
Bridges	45	2	43	75	75	45	75
Footpaths & cycleways	342	185	157	831	831	546	831
Drainage	70	8	62	245	375	128	375
Recreation, leisure & community facilities	30	0	30	60	60	30	60
Parks, open space & streetscapes	545	303	242	1,160	1,280	904	1,280
Total infrastructure	1,472	670	802	3,237	3,525	2,146	3,525
Total operational works	2,626	1,446	1,180	5,682	5,994	3,468	5,994
Represented by:							
Asset renewal	11,939	6,253	5,686	21,494	22,272	12,609	23,085
New assets	4,564	2,391	2,173	8,218	8,516	4,821	15,997
Asset expansion	325	170	155	585	606	343	628
Asset upgrade	3,078	1,613	1,465	5,543	5,744	3,252	5,953
Capital expenditure	19,905	10,427	9,478	35,840	37,138	21,024	45,663
Operational works	2,626	1,446	1,180	5,682	5,994	3,468	5,994
Total capital works	22,531	11,873	10,658	41,522	43,132	24,492	51,657