



Financial Performance Report

Quarter One | July to September 2021





Acknowledgement

Frankston City Council acknowledges the Bunurong people of the Kulin Nation as the Traditional Custodians of the lands and waters in and around Frankston City, and value and recognise local Aboriginal and Torres Strait Islander cultures, heritage and connection to land as a proud part of a shared identity for Frankston City.

Council pays respect to Elders past and present and recognises their importance in maintaining knowledge, traditions and culture in our community.

Council also respectfully acknowledges the Bunurong Land Council as the Registered Aboriginal Party responsible for managing the Aboriginal cultural heritage of the land and waters where Frankston City Council is situated.

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Frankston City Council's Vision for the 2021-2025 Council Plan and Budget

**Frankston City.
Our liveable,
innovative and
proud city.**



Quarterly financial performance summary


The following quarterly financial report provides a summary and analysis of Council's financial performance for the three (3) months to September 2021. The report is designed to ensure consistency with the 2021-2022 adopted budget, compliance with statutory requirements and to measure Council's overall financial performance.

Summary of Financial Results

Description	Full Year		(Fav)/Unfav Variance \$'000
	2021-2022 Forecast \$'000	2021-2022 Budget \$'000	
	<i>Operating</i>		
Revenue	174,837	178,443	3,606
Expenditure	178,952	179,946	(994)
Gain/(Loss) on disposal of assets	574	574	-
Underlying operational result	(3,541)	(929)	2,612
<i>Capital</i>			
Revenue	20,020	20,221	201
Operational surplus/(deficit)	16,479	19,292	2,813

The impact of COVID-19 has had a significant impact on Council's financial result for the first quarter and forecast for the financial year. The Operational surplus for the financial year is forecast to have an unfavourable variance of \$2.813M compared to the adopted budget.

The forecast for the Underlying operating result also reflects an unfavourable variance. Council's forecast full year underlying operating position is indicating a deficit of \$3.541M, this is a \$2.612M unfavourable variance compared to the adopted 2021-2022 budget position of \$0.929M deficit. The Executive Management Team (EMT) have identified significant savings to reduce the COVID-19 financial impact on underlying operational result. It is expected to return to surplus in future years.



The forecast full year underlying operating position of the consolidated entity is indicating a deficit of \$6.261M, this is a \$5.064M unfavourable variance compared to the adopted 2021-2022 budget position of \$1.197M deficit. The factors attributed to Frankston City Council's portion of this result are listed under Section 3 of this report.

The significant factors from Peninsula Leisure Pty Ltd which contribute to this variance are a \$6.073M unfavourable variance in user fees and charges. The decrease in user fees and charges relates to the impact of COVID-19 on the expected decrease in patronage.

See Appendix F for the detailed consolidated income statement.

The Executive Management Team (EMT) have endeavoured to minimise the impacts that COVID-19 has had on Council and its services to ensure they are delivered in line with community expectations. The key actions taken include savings from labour vacancies, delayed recruitment, reduction in discretionary spend, delayed program spend and strongly advocating for additional government funding. This will continue for the remainder of the year in an attempt to deliver services to the community's expectations whilst doing so at a reduced cost to ratepayers.

We believe it's important that the community are aware of the financial impacts of the pandemic and the challenges ahead. The financial impacts since the beginning of the pandemic in March 2020 and forecast for the remainder of the 2021-22 year show total savings/funding of \$21.88M providing an offset for the COVID-19 net financial loss of \$12.75M which also enabled the funding of the \$9.128M Relief and Recovery Package.

A summary of the key financial data is as follows:

	Full Year			
	Forecast \$'000s	Adopted Budget \$'000s	Variance \$'000s	Variance %
Underlying operating result (1)	(3,541)	(929)	(2,612)	(281.16%)
Accumulated Cash Position	500	500	-	-
Cash and investments	68,839	74,950	(6,111)	(8.15%)
Capital works expenditure	68,400	64,885	(3,515)	(5.42%)

() Denotes negative result

(1) The underlying operating result is one of Council's key indicators of financial performance as it measures Council's day to day operating activities. It excludes one-off items such as capital grants and contributions as well as non-monetary assets.

The underlying operating result is of most concern as Council's long term financial viability depends on its ability to make an operating surplus on a day to day basis in order to fund the replacement of assets and to fund new projects. In the longer term this result must be brought to a balanced or surplus result.

A detailed analysis of the September quarterly results is provided in the following report.

Financial Performance Scorecard – September 2021

KEY INDICATOR	Year to Date	Full Year	Full Year	Note
	Actual vs Budget	Forecast vs Budget	Forecast \$'000	

Operating performance

Operating revenue			174,837 *	1
Underlying operating result			(3,541) *	
Operating result for the year			16,479 *	
Operating expenditure			178,952	

Capital Performance

External funding sources			19,244 *	2
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Performance Indicators

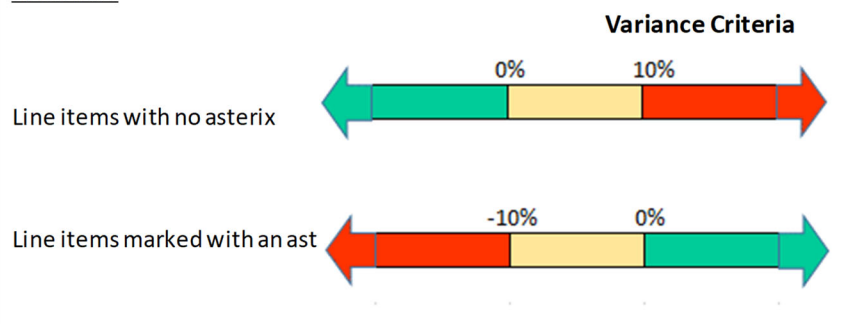
Investment			68,839 *
Working capital ratio			2.63 *
Rates collection			97%
Loan borrowings			33,919

Notes

1 Forecast operating result is an unfavourable variance compared to budget due to the impacts of COVID-19. Further detail regarding this variance is contained on pages 9 & 10 of this report.

2 Year to date external funding sources for capital is showing an unfavourable variance compared to budget due to the timing of the receipt of funding. The expectation is to still receive the majority of the budgeted funding.

LEGEND



Income Statement

The September 2021 financial performance position highlights some key outcomes that are covered in the points below.

Description	Year to Date			Full Year		
	Sept-21	Sept-21	(Fav)/Unfav	2021-2022	2021-2022	(Fav)/Unfav
	Actual	Budget	Variance	Forecast	Budget	Variance
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Operating</i>						
Revenue	40,929	41,894	965	174,838	178,443	3,605
Expenditure	42,077	44,059	(1,982)	178,953	179,946	(993)
Gain/(Loss) on disposal of assets	177	143	(34)	574	574	-
Underlying operational result	(971)	(2,022)	(1,051)	(3,541)	(929)	2,612
<i>Capital</i>						
Revenue	1,428	2,380	952	20,020	20,221	201
Operational surplus/(deficit)	457	358	(99)	16,479	19,292	2,813

Underlying operating result: The underlying operating result is directly attributable to operations and excludes items such as capital grants and contributions and non-monetary assets. The impact of the underlying operating result is of most concern as this is the key indicator of financial performance.

Council's forecast full year underlying operating position is indicating a deficit of \$3.541M, this is a \$2.612M unfavourable variance compared to the adopted 2021-2022 budget position of \$0.929M deficit. The significant factors which contribute to this variance are:

Grants – operating – \$0.349M favourable variance. The increase in government funding relates to the following areas:

- \$0.319M increase in grant funding forecast to be received for Family Health Support Services due to additional funding for community recovery from COVID-19 impacts and one-off project funding.

User fees and charges– \$3.401M unfavourable variance. The decrease in user fees and charges relates to the following areas:

- \$2.350M reduction in user fees and charges income expected for the Frankston Arts Centre due to the closure of the facility as a result of COVID-19 restrictions imposed.
- \$0.831M reduction in User fees and charges income expected to be received for charged car parking due to restrictions in place as a result of COVID-19.
- \$0.145M reduction in User fees and charges income expected to be received at the Centenary Park Golf Course due to closures in the first quarter as a result of COVID-19 restrictions.

d. \$0.108M reduction in User fees and charges income expected to be received in Community Strengthening due to closure of community facilities and associated room hire as a result of COVID-19 restrictions.

Other income - \$0.859M favourable variance. The increase in Other income is mainly due to:

a. \$0.839M increase due to the receipt of income associated with an insurance claim relating to previous damage at Peninsula Aquatic Recreation Centre and court decision regarding fraudulent activity.

Materials and services - \$0.696M favourable variance. The decrease in materials and services is mainly due to:

a. \$0.541M decreased expenditure at the Frankston Arts Centre due to closure of the facility during the first quarter.

b. \$0.150M decreased expenditure in Sustainable Assets due to reductions in plant operating costs as utilisation has decreased with officers working from home and not utilising vehicles as frequently.

Employee Costs - \$0.193M favourable variance. The decrease in Employee costs is mainly due to:

a. \$0.388M decreased expenditure in Operations due to savings associated with vacant positions, delays in recruitment and abolishing positions no longer required.

b. \$0.285M decreased expenditure at the Frankston Arts Centre due to closure of the facility during the first quarter.

c. Offset by \$0.269 additional expenditure in Family Health Support Services which relates to additional grant funding that was received to assist in community recovery and other one-off projects.

Operating Result: The operating result allows the impact of non-operating or once off items on the net surplus or deficit for the year to be measured. Council's operational performance for the forecast full year position indicates a surplus of \$16.479M, this is a \$2.813M unfavourable variance compared to the adopted 2021-2022 budget position of \$19.292M surplus. This unfavourable variance is due to the reasons as described above plus a decrease of \$0.201M expected to be received for capital grants.

Capital Works Statement

Capital Works Statement

For the quarter ending 30 September 2021

	Year to Date			Forecast \$'000	Full Year	
	Actual	Budget	Variance		Budget	Variance
	\$'000	\$'000	\$'000		\$'000	\$'000
Total property	1,763	2,102	(339)	22,973	20,266	2,707
Total plant and equipment	768	1,454	(686)	10,411	10,089	322
Total infrastructure	2,277	2,920	(643)	35,016	34,530	486
Total capital works expenditure	4,808	6,476	(1,668)	68,400	64,885	3,515
Represented by:						
Asset renewal expenditure	2,325	2,860	(535)	25,699	23,761	1,938
New asset expenditure	1,306	1,818	(512)	20,627	19,359	1,268
Asset upgrade expenditure	885	1,312	(427)	17,131	16,989	142
Asset expansion expenditure	292	486	(194)	4,943	4,776	167
	4,808	6,476	(1,668)	68,400	64,885	3,515
Funding:						
External						
Government grants	915	1,810	895	18,020	18,221	201
Contributions	120	120	-	200	200	-
Proceeds from sale of assets	228	102	(126)	1,024	1,024	-
Total external funding	1,263	2,032	769	19,244	19,445	201
Internal						
Reserve funds	-	345	345	12,806	11,532	(1,274)
Loan borrowings	-	300	300	2,743	4,350	1,607
Rates funding	3,545	3,799	254	33,607	29,558	(4,049)
Total internal funding	3,545	4,444	899	49,156	45,440	(3,716)
Total funding	4,808	6,476	1,668	68,400	64,885	(3,515)

After three months of the year to date expenditure is \$4.808M against a year to date adopted budget of \$6.474M. The Capital Works Program is tracking well with under expenditure due to minor delays of larger projects.

The delivery of the 2021-2022 Capital Works Program is on track, with an end of year forecast expenditure of \$68.400M, which includes \$5.400M of carry forward projects from 2020-2021.

Balance Sheet

The balance sheet as at 30 September 2021 indicates a continued satisfactory result. Council's net assets are valued at \$1.786B at the end of September 2021, and are forecast to be \$1.785B at the end of June 2021.

A comparison of total current assets of \$131.334M with total current liabilities of \$32.710M (working capital ratio YTD of 4.02 to 1) depicts a satisfactory financial position.

Schedule of other reserves for September 2021

	Opening Balance 01/07/2021 \$'000	Transfer to reserve \$'000	Transfer from reserve \$'000	Closing balance 30/09/2021 \$'000
Statutory reserves				
Public resort and recreation	8,265	393	(2)	8,656
Subdivision roadworks	133	-	-	133
Infrastructure assets	74	-	-	74
Car parking	10	-	-	10
Total statutory reserves	8,482	393	(2)	8,873
Discretionary reserves				
Strategic asset reserve	28,953	-	-	28,953
MAV LGFV fund	12,204	-	-	12,204
Unexpended grant reserve	5,798	-	(6)	5,792
PARC asset management sinking fund	11,705	-	-	11,705
Capital projects reserve	4,459	-	-	4,459
Resource efficiency reserve	75	-	-	75
Total discretionary reserves	63,194	-	(6)	63,188
Total other reserves	71,676	393	(8)	72,061

Council has made the funding commitments of \$13.710M for Jubilee Park and \$1.065M for Centenary Park that will be drawn from the strategic asset reserve over the course of the projects.

Trade and other receivables	2020-21 \$'000	2021-22 \$'000
Current receivables		
Ratepayer receivables	21,583	24,894
Special rates & charges	123	123
Infringements	5,379	5,547
Provision for doubtful debts - infringements	(2,694)	(2,746)
Other receivables	1,789	6,395
Provision for doubtful debts - other debtors	(56)	(123)
	26,124	34,090
Non-current receivables		
Special rates & charges	755	604
Total receivables	26,823	34,571

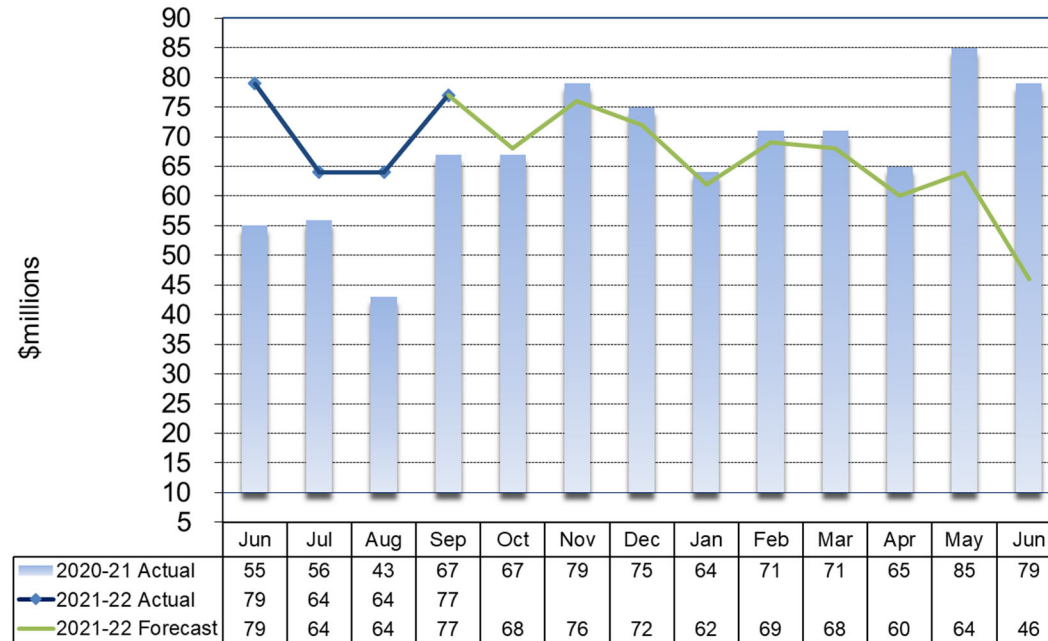
The increase in Ratepayer receivables is due to the impacts of COVID-19 and Council's decision to offer relief for ratepayers in terms of the payments of their rates.

For a full balance sheet please refer to [Attachment C](#).

Cash Flow

Council’s cash flow statement provides information in regards to net cash flow from operating activities, cash flows from investing activities and cash flows from financing activities. These results provide information in regards to cash generated or spent on the different type of activities undertaken by Council.

The net cash flows from operating activities measure cash generated from Council’s ongoing day to day operations. It is imperative that a surplus is generated from cash flows from operations as these funds are used to fund capital works (investing activities) as well as repaying any loans (financing activities). Refer to Attachment D for the cash flow statement.



Loans

Council is within the approved principles of loan funding and has ensured that Council is within prudential limits set by the Victorian Government.

Year	New Borrowings \$'000	Principal Paid \$'000	Interest Expense \$'000	Balance 30 June \$'000	Liquidity (CA/CL)	Debt Commit (Debt/Total Rates)	Debt Serv (Serv Costs/ Total Revenue)
2019/20	-	320	1,479	27,748	3.09	21.56%	0.82%
2020/21	50	373	1,452	27,453	2.79	22.28%	0.83%
2021/22	4,450	947	1,533	32,750	2.61	24.24%	0.77%
2022/23	4,257	1,376	1,580	35,631	1.96	25.85%	0.79%
2023/24	5,000	1,717	1,626	38,914	1.65	27.59%	0.81%
2024/25	-	2,134	1,565	36,780	1.11	25.48%	0.78%
Victorian State Government Prudential Ratio Limits - Risk Assessment				High	Below 1.10	Above 80%	Above 10%
				Medium	1.10 - 1.20	60%-80%	5% - 10%
				Low	Above 1.20	Below 60%	Below 5%

The status of Council's loan borrowings as at the 30 September 2021 are listed in the table below:

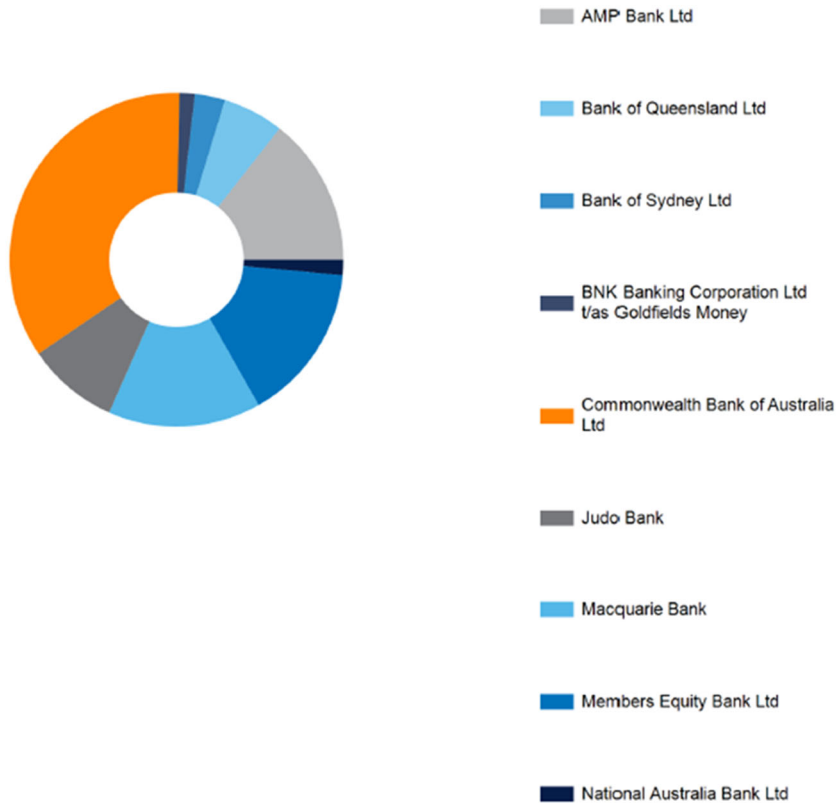
Financial institution	Debt principal @ 30-06-2021 \$'000's	Principal repaid \$'000's	New borrowings \$'000's	Debt principal @ 30-09-2021 \$'000's	Interest Paid \$'000's	Loan repayments due over next 12 months \$'000's
National Australia Bank	11,861	88	-	11,773	207	1,183
National Australia Bank - MAV	15,542	-	-	15,542	167	-
Treasury Corporation Victoria	50	-	-	50	-	-
Total	27,453	88	-	27,365	374	1,183

Investments

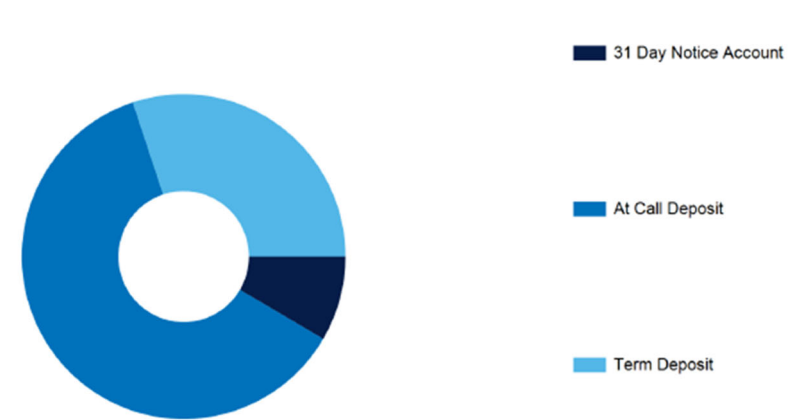
Council is complying with its Investment Policy (adopted by Council on 16 December 2019) that ensures effective and responsible utilisation of Council’s surplus cash funds within the government legislative framework and applicable Federal and State regulations. Council’s investment holdings as at 30 September 2021 were \$107.270M.

Council’s investments as at the 30 September 2021 are listed in the tables below.

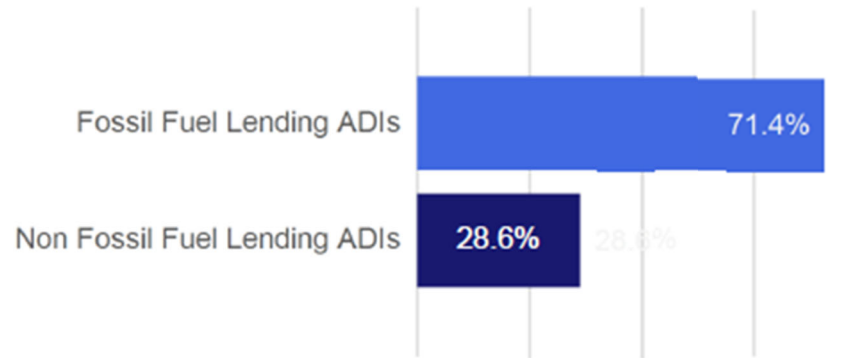
Market Value by Issuer



Market Value by Security Type



Portfolio Fossil Fuel Summary



Performance Statistics for Period Ending 30 September 2021

Trading Book	1 Month	3 Month	12 Month	Since Inception
Frankston City Council				
Portfolio Return (1)	0.03%	0.07%	0.44%	0.75%
Performance Index (2)	0.00%	0.01%	0.04%	0.45%
Excess Performance (3)	0.03%	0.06%	0.40%	0.30%

Notes

- 1 Portfolio performance is the rate of return of the portfolio over the specified period
- 2 The Performance Index is the Bloomberg AusBond Bank Bill Index (Bloomberg Page BAUBIL)
- 3 Excess performance is the rate of return of the portfolio in excess of the Performance Index

Trading Book	Weighted Average Running Yield
Frankston City Council	0.38

Conclusion

The forecast full year net underlying result is anticipated to be a deficit of \$3.541M which compares unfavourably by \$2.612M to the 2021-2022 adopted budgeted deficit of \$0.929M.

After three months of the financial year, COVID-19 government restrictions have had a significant effect on Council's financial position. Council will continue to closely monitor its position and ensure that the impact is kept to a minimum. Whilst this impact is short term for the moment, it remains to be seen how COVID-19 will impact on long-term projections.



Attachment A – Income Statement

Income Statement

For the quarter ending 30 September 2021

Description	Year to Date			Full Year		
	Sept-21 Actual \$'000	Sept-21 Budget \$'000	(Fav)/Unfav Variance \$'000	2021-2022 Forecast \$'000	2021-2022 Budget \$'000	(Fav)/Unfav Variance \$'000
Revenue						
Rates and charges	31,874	31,843	(31)	134,801	134,698	(103)
Government grants - operating	4,771	4,651	(120)	19,126	18,777	(349)
User fees and charges	2,192	3,516	1,324	12,348	15,749	3,401
Statutory fees and fines	880	1,149	269	4,577	6,093	1,516
Other Income	1,212	735	(477)	3,985	3,126	(859)
Proceeds from sale of property, infrastructure, plant and equipment	177	143	(34)	574	574	-
Total income	41,106	42,037	931	175,411	179,017	3,606
Expenditure						
Employee costs	18,792	19,249	(457)	77,033	77,226	(193)
Materials and services	12,888	13,779	(891)	62,834	63,530	(696)
Depreciation	9,129	9,387	(258)	31,434	31,531	(97)
Amortisation - intangible assets	212	212	-	850	850	-
Amortisation - right of-use assets	89	92	(3)	330	330	-
Finance costs	362	383	(21)	1,533	1,533	-
Finance costs - leases	9	8	1	40	40	-
Bad and doubtful debts	3	54	(51)	220	220	-
Other expenses	593	895	(302)	4,678	4,686	(8)
Total expenditure	42,077	44,059	(1,982)	178,952	179,946	(994)
Underlying surplus / (deficit)	(971)	(2,022)	1,051	(3,541)	(929)	(2,612)
Contributions - capital	120	120	-	200	200	-
Government grants - capital assets	915	1,810	895	18,020	18,221	201
	-	200	200	800	800	-
Contributions - cash	393	250	(143)	1,000	1,000	-
Surplus / (deficit) for the period	457	358	99	16,479	19,292	(2,813)

Attachment B – Capital Works Statement

Capital Works Statement

For the quarter ending 30 September 2021

	Year to Date			Full Year		
	Actual \$'000	Budget \$'000	Variance \$'000	Forecast \$'000	Budget \$'000	Variance \$'000
Property						
Buildings	1,763	2,102	(339)	22,973	20,266	2,707
Total property	1,763	2,102	(339)	22,973	20,266	2,707
Plant and equipment						
Plant, machinery and equipment	129	412	(283)	4,972	4,732	240
Fixtures, fittings and furniture	20	39	(19)	577	437	140
Computers and telecommunications	400	788	(388)	4,136	4,194	(58)
Library books	219	215	4	726	726	-
Total plant and equipment	768	1,454	(686)	10,411	10,089	322
Infrastructure						
Roads	88	72	16	8,780	9,330	(550)
Bridges	94	53	41	200	200	-
Footpaths and cycleways	434	403	31	4,327	3,259	1,068
Drainage	159	139	20	1,481	1,056	425
Recreational, leisure and community facilities	590	982	(392)	6,944	6,808	136
Waste management	29	280	(251)	619	560	59
Parks, open space and streetscapes	735	943	(208)	10,205	10,823	(618)
Off street car parks	77	11	66	354	430	(76)
Other infrastructure	71	37	34	2,106	2,064	42
Total infrastructure	2,277	2,920	(643)	35,016	34,530	486
Total capital works expenditure	4,808	6,476	(1,668)	68,400	64,885	3,515
Represented by:						
Asset renewal expenditure	2,325	2,860	(535)	25,699	23,761	1,938
New asset expenditure	1,306	1,818	(512)	20,627	19,359	1,268
Asset upgrade expenditure	885	1,312	(427)	17,131	16,989	142
Asset expansion expenditure	292	486	(194)	4,943	4,776	167
	4,808	6,476	(1,668)	68,400	64,885	3,515
Funding:						
External						
Government grants	915	1,810	895	18,020	18,221	201
Contributions	120	120	-	200	200	-
Proceeds from sale of assets	228	102	(126)	1,024	1,024	-
Total external funding	1,263	2,032	769	19,244	19,445	201
Internal						
Reserve funds	-	345	345	12,806	11,532	(1,274)
Loan borrowings	-	300	300	2,743	4,350	1,607
Rates funding	3,545	3,799	254	33,607	29,558	(4,049)
Total internal funding	3,545	4,444	899	49,156	45,440	(3,716)
Total funding	4,808	6,476	1,668	68,400	64,885	(3,515)

Attachment C – Balance Sheet

Balance Sheet

As at 30 September 2021

	Actual 2020-2021 \$'000	Year to date 2021-2022 \$'000	Budget 2021-2022 \$'000	Forecast 2021-2022 \$'000
Assets				
Current assets				
Cash and cash equivalents	76,843	75,061	53,520	45,926
Trade and other receivables	36,517	34,536	34,881	34,017
Other financial assets	23,234	33,962	20,430	22,913
Inventories	124	143	165	125
Other assets	2,803	1,599	2,941	2,913
Total current assets	139,521	145,301	111,937	105,894
Non-current assets				
Trade and other receivables	613	604	550	488
Investment in subsidiary	300	300	-	-
Other financial assets	-	-	1,000	-
Intangible assets	1,001	788	1,389	2,367
Right of Use	637	549	177	273
Property, infrastructure, plant and equipment	1,755,576	1,751,222	1,765,613	1,789,121
Total non-current assets	1,758,127	1,753,463	1,768,729	1,792,249
Total assets	1,897,648	1,898,764	1,880,666	1,898,143
Liabilities				
Current liabilities				
Trade and other payables	19,211	4,720	18,679	19,711
Trust funds and deposits	6,705	19,899	6,660	6,883
Unearned income	18,932	20,207	3,700	2,160
Provisions	15,175	15,673	12,571	15,706
Lease liability	370	372	1,080	653
Interest-bearing loans and borrowings	370	376	194	253
Total current liabilities	60,763	61,247	42,884	45,366
Non-current liabilities				
Provisions	1,424	1,794	1,867	1,470
Interest-bearing loans and borrowings	27,084	26,993	31,670	28,924
Lease liability	301	205	-	-
Total non-current liabilities	28,809	28,992	33,537	30,394
Total liabilities	89,572	90,239	76,421	75,760
Net assets	1,808,076	1,808,525	1,804,245	1,822,383
Equity				
Accumulated surplus	743,813	743,876	759,146	765,340
Other reserves	1,064,263	1,064,649	1,045,099	1,057,043
Total equity	1,808,076	1,808,525	1,804,245	1,822,383

Attachment D – Cash Flow Statement

Cash Flow Statement

As at 30 September 2021

Description	2020-21	2021-2022	2021-2022	2021-2022
	Actual \$'000	Actual \$'000	Forecast \$'000	Budget \$'000
Cash Flow from operating activities				
Rates and charges	127,295	21,547	126,397	135,098
Grants - operating	22,410	4,867	14,553	18,777
Grants - capital	18,896	915	18,021	18,221
User fees	10,422	3,320	15,399	15,749
Statutory fees and fines	4,581	940	5,883	6,093
Contributions - monetary	1,858	513	1,200	1,200
Interest received	815	145	1,000	1,000
Other receipts	2,100	1,105	2,979	2,125
Net GST refund	9,236	1,363	9,541	8,511
Net movement in trust funds	(11,652)	10,317	(19,313)	-
Employees costs	(65,782)	(20,631)	(78,324)	(77,227)
Materials and services	(58,317)	(25,146)	(61,108)	(63,750)
Other payments	(2,460)	(593)	(4,685)	(4,685)
Net cash provided by/(used in) operating activities	59,402	(1,338)	31,543	61,112
Cash flows from investing activities				
Payments for fixed assets	(49,342)	(4,158)	(64,425)	(63,685)
Proceeds from sale of assets	533	228	1,024	1,024
Payments for Investments with greater than three months maturity	15,498	1,980	2,500	-
Net cash provided by/(used in) investing activities	(33,311)	(1,950)	(60,901)	(62,661)
Cash flows from financing activities				
Finance costs	(1,542)	(207)	(1,533)	(1,533)
Interest paid - lease liability	(49)	(9)	(40)	(40)
Repayment of lease liability	(351)	(496)	-	-
Proceeds of borrowings	50		2,743	4,450
Repayment of borrowings	(345)	(88)	(947)	(947)
Net cash provided by/(used in) financing activities	(2,237)	(800)	223	1,930
Net increase (decrease) in cash and cash equivalents	23,854	(4,088)	(29,135)	381
Cash and cash equivalents at the beginning of the year	52,989	79,149	75,061	53,139
Cash and cash equivalents at the end of the year	76,843	75,061	45,926	53,520

Attachment E – Consultants

Operating expenditure on consultants For the quarter ending 30 September 2021

	2021-2022 July - Sep	Full year adopted budget	% of budget spent	Note
CEO				
Chief Executive Officer	-	100	0%	
Total CEO	-	100		
Chief Financial Office				
Chief Financial Officer Directorate Management	-	-	0%	
Waste and Recycling Services	33,385	176,300	19%	
Financial and Corporate Planning	13,500	79,350	17%	
Governance and Information	-	2,000	0%	
Procurement, Property and Risk	21,126	83,250	25%	
Peninsula Aquatic Regional Centre	-	64,000	0%	
Total Chief Financial Office	68,010	404,900		
Business Innovation and Culture				
People and Culture	34,670	182,486	19%	
Business and Information Technology	80,544	400,000	20%	
Business Transformation	56,931	350,000	16%	
Community Relations	-	40,000	0%	
Total Business Innovation and Culture	172,145	972,486		
Communities				
Communities Directorate Management	3,360	25,000	13%	
Community Strengthening	19,990	18,000	111%	
Family Health Support Services	500	6,200	8%	
Arts and Culture	1,200	71,000	2%	
Community Safety	5,075	12,200	42%	
Statutory Planning	20,301	137,000	15%	
City Futures	-	8,055	-2%	
Total Communities	42,371	764,500		
Infrastructure and Operations				
Infrastructure and Operations Directorate Management	-	-	0%	
Engineering Services	3,617	84,500	4%	
Building and Facilities	11,525	741	1555%	1
Capital Works Delivery	-	220,000	0%	
Sustainable Assets	-	73,500	0%	
Total Infrastructure and Operations	15,142	378,741		
Non-Departmental Areas				
Overheads	-	27,500	0%	
Total Non-Departmental Areas	-	27,500		
Total expenditure	297,669	2,548,227	12%	

Notes

1 Consultant engaged to assist with procurement process for facility maintenance contract in Building and Facilities.

Attachment F – Income Statement – Consolidated with Peninsula Leisure Pty Ltd

Income Statement

For the quarter ending 30 September 2021

Description	Year to Date			Full Year		
	Sept-21	Sept-21	(Fav)/Unfav	2021-2022	2021-2022	(Fav)/Unfav
	Actual	Budget	Variance	Forecast	Budget	Variance
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue						
Rates and charges	31,874	31,843	(31)	134,801	134,698	(103)
Government grants - operating	4,909	4,651	(258)	19,610	18,777	(833)
User fees and charges	3,020	6,523	3,503	18,303	27,777	9,474
Statutory fees and fines	880	1,149	269	4,577	6,093	1,516
Other Income	1,287	1,086	(201)	4,751	4,531	(220)
Proceeds from sale of property, infrastructure, plant and equipment	177	143	(34)	574	574	-
Total income	42,147	45,395	3,248	182,616	192,450	9,834
Expenditure						
Employee costs	19,614	19,262	352	83,179	85,958	(2,779)
Materials and services	13,458	14,817	(1,359)	65,737	67,581	(1,844)
Depreciation	9,169	9,419	(250)	31,749	31,659	90
Amortisation - intangible assets	248	236	12	850	943	(93)
Amortisation - right of-use assets	89	137	(48)	330	512	(182)
Finance costs	362	383	(21)	1,533	1,533	-
Finance costs - leases	9	8	1	40	40	-
Bad and doubtful debts	3	54	(51)	220	220	-
Other expenses	700	1,020	(320)	5,239	5,201	38
Total expenditure	43,652	45,336	(1,684)	188,877	193,647	(4,770)
Underlying surplus / (deficit)	(1,505)	59	1,564	(6,261)	(1,197)	5,064
Contributions - capital	120	120	-	200	200	-
Government grants - capital	915	1,810	895	18,020	18,221	201
Contributions - non monetary assets	-	200	200	800	800	-
Contributions - cash	393	250	(143)	1,000	1,000	-
Surplus / (deficit) for the period	(77)	2,439	2,362	13,759	19,024	5,265



How to contact us

Online:
frankston.vic.gov.au

In person:
30 Davey Street, Frankston VIC 3199 Australia