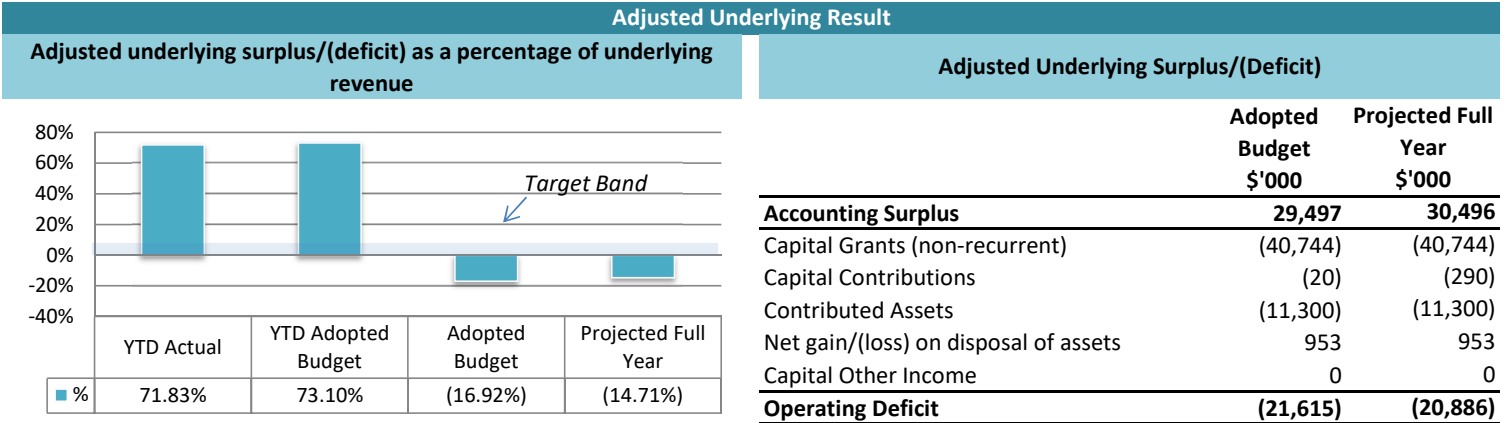


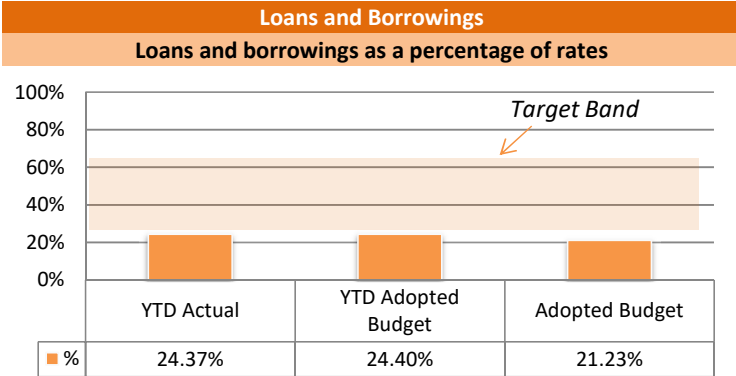
MONTHLY FINANCIAL REPORT AUGUST 2022

Operating Performance

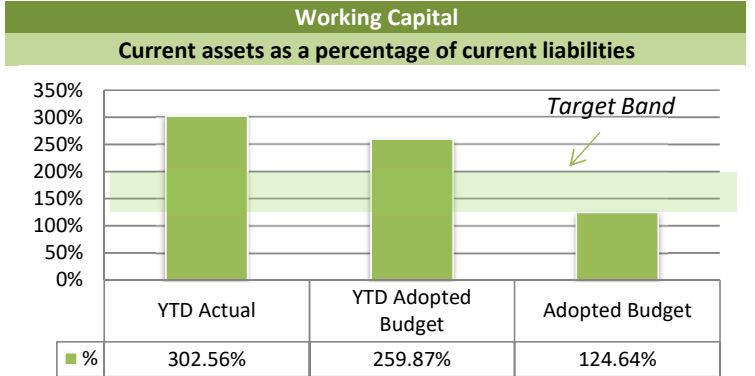


The accounting surplus has been adjusted to reflect the true operating result by removing items that do not fund Council operations. Capital income including non-recurrent grants, contributions and other capital income is used to fund the capital works program, while contributed assets and the net loss on disposal of assets are non-cash items. Large YTD Actual and YTD Budget balances in Adjusted Underlying Surplus/(Deficit) and Working Capital result from the 2022/2023 rates being raised in July 2022, with the full amount (\$86m) hitting operating income and receivables. YTD balances will reduce throughout the financial year as rates debtors payments are received and budgeted expenditure is incurred.

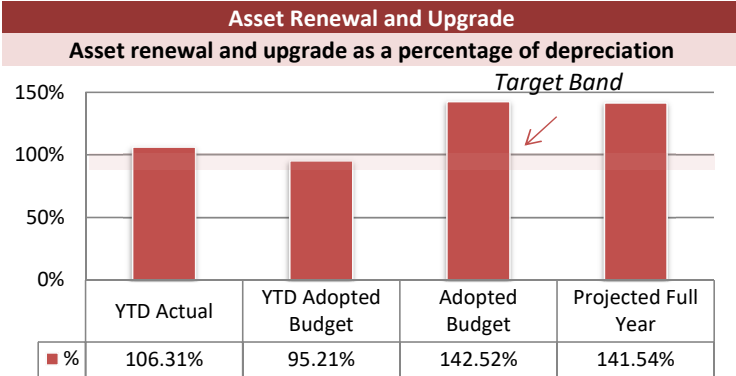
Financial Obligations



Financial Health



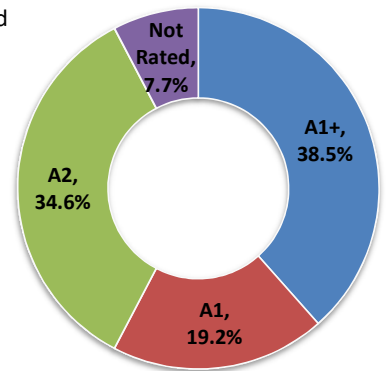
Asset Renewal



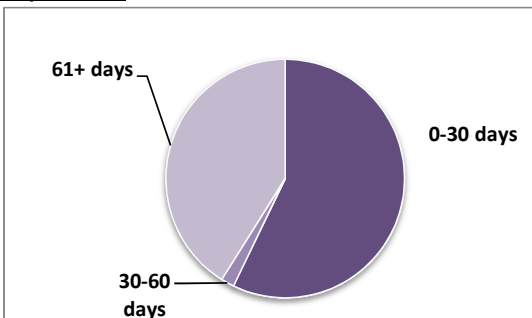
Investments

There is currently \$26m invested at an average interest rate of 2.13%. \$8m is invested in Green Term Deposits. \$90k interest income received. Credit ratings indicate the capacity of the obligor to meet its financial commitment:

- A1+ Extremely Strong
- A1 Strong
- A2 Satisfactory
- Non-Rated GMCU

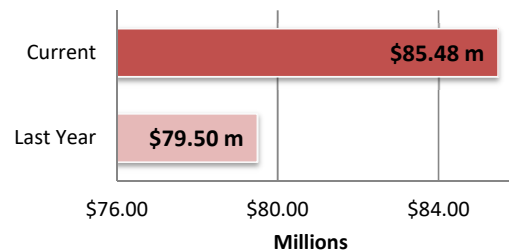


Sundry Debtors



0-30 days	30-60 days	61+ days
\$ 678,747	\$ 143,474	\$ 883,755

Rates Debtors



- 2022/2023 rates raised in July 2022
- Total 33,990 Rate assessments
- 252 payment arrangements:
 - Up from July 2022
 - Down 6 same time last year (258 Aug 2021)

Greater Shepparton City Council
Operating Statement
for period ended August 2022

The Operating Statement details the Income Statement excluding non-recurrent items such as works on non-council assets and non-recurrent grant programs. It also excludes items that do not fund Council operations such as capital income and non-cash items.

	YEAR TO DATE			FULL YEAR		
	2022/2023 YTD Adopted Budget \$'000	2022/2023 YTD Actual \$'000	YTD Adopted Budget Variance (Fav)/Unfav %	2022/2023 Adopted Budget \$'000	2022/2023 Projected Full Year \$'000	Adopted Budget Variance (Fav)/Unfav %
Revenues from Operating Activities						
Rates and Charges	86,412	86,509	(0.1%)	87,081	87,098	(0.0%)
Statutory Fees	451	755	(67.5%)	3,078	3,078	0.0%
User Charges	2,626	2,494	5.0%	19,176	19,166	0.0%
Operating Grants*	13,731	14,161	(3.1%)	25,936	26,565	(2.4%)
Operating Contributions	153	54	64.7%	683	751	(9.9%)
Other	200	314	(57.5%)	1,055	1,464	(38.8%)
Total Operating Revenue	103,572	104,286	(0.7%)	137,009	138,122	(0.8%)
Expenses from Operating Activities						
Employee Costs	9,541	9,578	0.4%	57,250	57,580	0.6%
Materials and Services*	8,827	9,927	12.5%	48,905	49,182	0.6%
Bad & Doubtful Debts	1	0	(100.0%)	62	62	0.0%
Depreciation	6,135	5,746	(6.3%)	36,609	36,609	0.0%
Amortisation	24	32	31.8%	704	704	0.0%
Borrowing Costs	(8)	(8)	0.0%	714	714	0.0%
Finance Costs - Leases	2	2	(14.4%)	11	11	0.0%
Other Expenses	144	144	(0.4%)	688	688	0.0%
Total Operating Expenses	24,666	25,420	3.1%	144,944	145,551	0.4%
ADJUSTED OPERATING RESULT	78,907	78,866	0.1%	(7,935)	(7,429)	6.4%

*Non-Recurrent items including works on non-council assets have been excluded from Operating Grants and Materials and Services. These are listed below.

Rates and Charges is showing high YTD Adopted Budget (\$86.4m) and YTD Actual (\$86.5m) balances due to the full amount of the 2022/2023 rates being raised in July 2022. This impacts the Adjusted Operating Result (YTD Actual \$78.87m surplus) which will reduce throughout the financial year as expenditure is incurred.

Other Income is projecting to be \$409k (37.1%) more than 2022/2023 Adopted Budget. This favourable variance is mostly due to favourable interest rates for investments resulting in more interest income.

Projects excluded from the Operating Statement

	EXPENSE			INCOME		
	2022/2023	2022/2023	2022/2023	2022/2023	2022/2023	2022/2023
	Adopted	Projected Full	YTD	Adopted	Projected Full	YTD
	Budget	Year	Actual	Budget	Year	Actual
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Benalla Road upgrade - Florence Street slip lane	1,699	1,699	412	746	746	0
Stadium/Munarra utilities upgrade	332	332	0	0	0	0
Office handset renewal	250	250	0	0	0	0
Outdoor Dining Funding	0	342	168	0	342	0
Edgewater Estate Intersection	70	97	18	0	0	0
Wheeler St - New Dookie Rd Intersection	1,597	1,778	182	501	501	0
Orrvale Rd and Poplar Ave Roundabout Enabling Works	260	295	35	0	0	0
Numurkah Road/Hawkins St Intersection	100	100	0	0	0	0
Murchison-Toolamba Community Hub Design	80	80	2	0	0	0
Total excluded from Operating Statement	4,388	4,973	817	1,247	1,589	0

Greater Shepparton City Council

Capital Summary

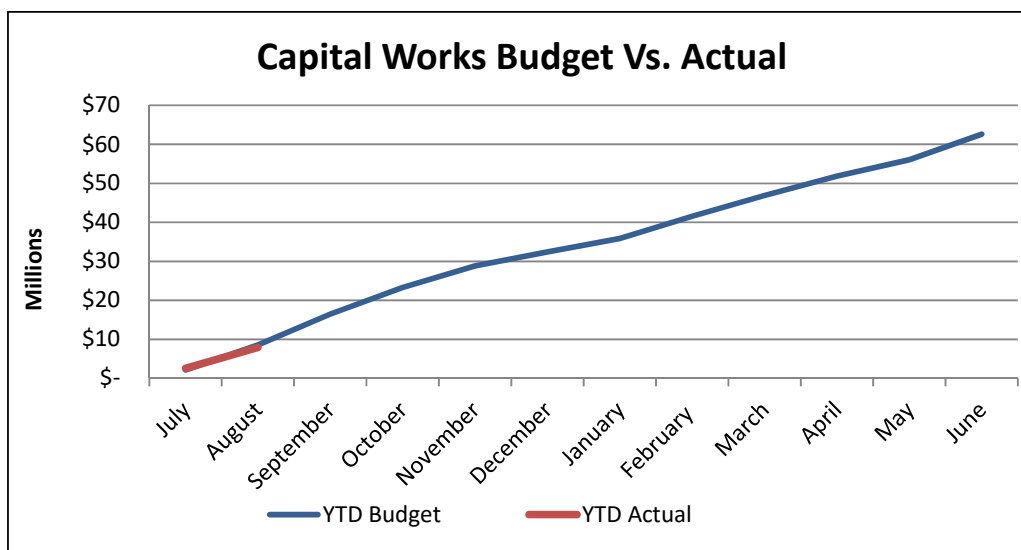
period ended August 2022

	YEAR TO DATE			FULL YEAR		
	2022/2023 YTD Adopted Budget \$'000	2022/2023 YTD Actual \$'000	YTD Adopted Budget Variance (Fav)/Unfav %	2022/2023 Adopted Budget \$'000	2022/2023 Projected Full Year \$'000	Adopted Budget Variance (Fav)/Unfav %
	Capital Income					
Capital Grants	1,370	592	56.8%	41,371	41,837	(1.1%)
Capital Contributions	0	161		20	290	(1,350.0%)
Proceeds from Sale of Assets	30	30	(0.0%)	1,817	1,817	0.0%
Total Capital Income	1,399	783	44.0%	43,208	43,944	(1.7%)
Capital Expenditure						
Renewal	2,239	2,214	1.1%	21,114	20,367	3.5%
Upgrade	3,602	3,893	(8.1%)	31,060	31,450	(1.3%)
New	1,334	747	44.1%	5,177	6,941	(34.1%)
Expansion	1,180	830	29.7%	4,077	4,077	0.0%
Total Capital Expenditure	8,356	7,684	8.0%	61,429	62,836	(2.3%)

**Capital expenditure totals exclude Project Management Office expenditure

Capital Contributions is projected to be \$270k (1350%) more than 2022/2023 Adopted Budget. This favourable variance is mostly due to additional developer contributions for Marlboro Drive upgrade (\$270k).

Capital Expenditure is projected to be \$1.41m (2.3%) more than 2022/2023 Adopted Budget. This unfavourable variance is mostly due to an increase in Roads to Recovery project, Coach Road (\$368k), to bring total expenditure in line with approved funding. This unfavourable variance is also impacted by approved new plant items for Cosgrove Landfill (\$321k) and Farquharson land acquisition (\$308k) which was budgeted for in 2021/2022, but will now be completed in 2022/2023.



Capital Works Forecast as a % of Adopted Budget	
Projected Full Year	Council Plan Target
102.29%	90.00%

Greater Shepparton City Council
Income Statement
for period ended August 2022

	YEAR TO DATE			FULL YEAR			Notes
	2022/2023 YTD Adopted Budget	2022/2023 YTD Actual	YTD Adopted Budget Variance (Fav)/Unfav %	2022/2023 Adopted Budget	2022/2023 Projected Full Year	Adopted Budget Variance (Fav)/Unfav %	
	\$'000	\$'000	%	\$'000	\$'000	%	
Revenues from Operating Activities							
Rates and Charges	86,412	86,509	(0.1%)	87,081	87,098	(0.0%)	
Statutory Fees	451	755	(67.5%)	3,078	3,078	0.0%	1
User Charges	2,626	2,494	5.0%	19,176	19,166	0.0%	
Operating Grants	2,565	2,995	(16.8%)	16,017	16,988	(6.1%)	2
Operating Contributions	153	54	64.7%	683	751	(9.9%)	
Other	200	314	(57.5%)	1,055	1,464	(38.8%)	3
Total Operating Revenue	92,407	93,121	(0.8%)	127,090	128,545	(1.1%)	
Expenses from Operating Activities							
Employee Costs	9,541	9,578	0.4%	57,250	57,580	0.6%	
Materials and Services	9,017	10,744	19.2%	53,293	54,155	1.6%	4
Bad & Doubtful Debts	1	0	(100.0%)	62	62	0.0%	
Depreciation	6,135	5,746	(6.3%)	36,609	36,609	0.0%	
Amortisation - Leases	24	32	31.8%	704	704	0.0%	
Borrowing Costs	(8)	(8)	0.0%	714	714	0.0%	
Finance Costs - Leases	2	2	(14.4%)	11	11	0.0%	
Other Expenses	144	144	(0.4%)	688	688	0.0%	
Total Operating Expenses	24,856	26,237	5.6%	149,332	150,524	0.8%	
UNDERLYING OPERATING RESULT	67,551	66,883	1.0%	(22,242)	(21,979)	1.2%	
Non-operating Income and Expenditure							
Capital Grants	1,370	592	56.8%	41,371	41,837	(1.1%)	5
Capital Contributions	0	161	(100.0%)	20	290	(1,350.0%)	6
Contributed Assets	1,883	3,530	(87.4%)	11,300	11,300	0.0%	7
Proceeds from Sale of Assets	30	30	(0.0%)	1,817	1,817	0.0%	
Written Down Value of Asset Disposals	0	0	0.0%	(2,769)	(2,769)	0.0%	
Other Revenue	0	0	0.0%	0	0	0.0%	
Total Non Operating Items	3,282	4,313	(31.4%)	51,739	52,475	(1.4%)	
ACCOUNTING SURPLUS/(DEFICIT)	70,833	71,196	(0.5%)	29,497	30,496	(3.4%)	

Notes to the Income Statement for period ended August 2022

- 1) Statutory Fees is \$304k more than YTD Adopted Budget. This favourable variance is mostly due to the timing of parking infringements (\$124k) and planning permits (\$166k).
- 2) Operating Grants is \$430k more than YTD Adopted Budget. This favourable variance is mostly due to the final payment of the Drought Communities Program funding (\$187k) for projects completed during 2020/2021. This favourable variance is also impacted by additional grants received for COVID-19 business support (\$120k) provided during 2021/2022.
- 3) Other Income is \$115k more than YTD Adopted Budget. This favourable variance is mostly due to the timing of rental income from Council buildings, the Aerodrome and sporting facilities. Projected Full Year is \$409k more than 2022/2023 Adopted Budget. This favourable variance is mostly due to favourable interest rates for investments resulting in more interest income (\$355k).
- 4) Materials and Services is \$1.73m more than YTD Adopted Budget. This unfavourable variance is mostly due to an increase in software licenses and timing of payments (\$642k), and the prepayment of Powercor electrical works for Benalla Rd Upgrade Florence Street slip lane (\$412k).
- 5) Capital Grants is \$777k less than YTD Adopted Budget. This unfavourable variance is mostly due to the timing of grants for the Vibert Reserve Pavilion Redevelopment (\$1.03m). These grants will be recognised as income when the project is completed later in the financial year, in line with accounting standards AASB 15 and AASB 1058.
- 6) Capital Contributions is \$161k more than YTD Adopted Budget and projecting to be \$270k more than 2022/2023 Adopted Budget. These favourable variances are mostly due to additional developer contributions for Marlboro Drive upgrade (\$270k).
- 7) Contributed Assets is \$1.65m more than YTD Adopted Budget. This favourable variance is mostly due to the timing of assets contributed by developers from completed estates including Lauriston Estate, Sanctuary Park, Villani Estate and Park Views Estate.

Greater Shepparton City Council

Balance Sheet

as at August 2022

	Total Actual June 2022*	Adopted Budget June 2023	YTD Adopted Budget 2023	YTD Actual 2023	Total Actual June 2023 Variance (Fav)/Unfav \$ ' 000	Adopted Budget Variance (Fav)/Unfav %	Notes
	\$ ' 000	\$ ' 000	\$ ' 000	\$ ' 000	\$ ' 000	%	
Current Assets							
Cash and Cash Equivalent	32,245	19,471	12,917	20,063	37.8%	(3.0%)	
Receivables	16,000	13,774	105,529	97,502	(509.4%)	(607.9%)	1
Other Financial Assets	16,000	-	-	18,000	(12.5%)	#DIV/0!	
Inventories	159	156	250	255	(59.9%)	(63.3%)	
Assets Held for Resale	711	63	711	711	0.0%	(1,027.8%)	2
Other Assets	1,804	1,579	145	188	89.6%	88.1%	
Total Current Assets	66,918	35,043	119,552	136,718	(104.3%)	(290.1%)	
Non Current Assets							
Investment in Associates	1,885	1,598	1,598	1,885	0.0%	(18.0%)	
Infrastructure	1,294,864	1,366,871	1,297,286	1,300,582	(0.4%)	4.8%	
Intangible Assets	32,749	28,108	28,480	32,749	0.0%	(16.5%)	
Right-of-use Assets	400	246	371	368	7.9%	(49.6%)	
Total Non Current Assets	1,329,897	1,396,823	1,327,735	1,335,584	(0.4%)	4.4%	
Total Assets	1,396,816	1,431,866	1,447,287	1,472,302	(5.4%)	(2.8%)	
Current Liabilities							
Trade & Other Payables	21,089	9,142	19,207	18,660	(11.5%)	104.1%	
Trust Funds	5,103	3,656	11,956	11,773	130.7%	222.0%	
Provisions	11,766	12,332	12,047	11,955	1.6%	(3.1%)	
Interest Bearing Liabilities	2,780	2,856	2,661	2,661	(4.3%)	(6.8%)	
Lease Liabilities	158	129	133	137	(13.0%)	6.4%	
Total Current Liabilities	40,896	28,115	46,004	45,187	10.5%	60.7%	
Non Current Liabilities							
Provisions	24,000	24,685	24,000	24,000	0.0%	(2.8%)	
Interest Bearing Liabilities	18,423	15,627	18,423	18,423	0.0%	17.9%	
Lease Liabilities	262	133	262	262	0.0%	96.8%	
Total Non Current Liabilities	42,685	40,445	42,685	42,685	0.0%	5.5%	
Total Liabilities	83,581	68,560	88,688	87,871	5.1%	28.2%	
Net Assets	1,313,235	1,363,306	1,358,598	1,384,431	94.6%	(1.5%)	
Represented By							
Accumulated Surplus	499,867	526,354	546,303	571,063	(14.2%)	(8.5%)	
Reserves	813,368	836,952	812,296	813,368	0.0%	2.8%	
Total Equity	1,313,235	1,363,306	1,358,598	1,384,431	94.6%	(1.5%)	

*Subject to final audit sign off

Notes to the Balance Sheet as at August 2022

1) Receivables is showing large YTD Adopted Budget and YTD Actual balances due to the 2022/2023 rates being raised in July 2022. These balances will reduce throughout the financial year as rates debtors payments are received.

2) Assets held for resale was revised up after the adoption of the 2022/2023 Budget, but prior to 30 June, due to additional assets being identified for resale including Bundara Reserve Shepparton, Dookie tennis courts, Enterprise Drive drainage basin, Forer Street Reserve Dookie and a portion of Parkside Gardens Shepparton.

Greater Shepparton City Council
Cash Flow Statement
as at August 2022

	2022/2023 Adopted Budget \$ ' 000	2022/2023 YTD Adopted Budget \$ ' 000	2022/2023 YTD Actual \$ ' 000	Adopted Budget Variance (Fav)/Unfav %
Cash flows from operating activities				
Receipts from customers	106,815	7,125	14,064	(97.4%)
Payments to suppliers	(110,745)	(42,806)	(19,775)	(53.8%)
Net cash inflow(outflow) from customers(suppliers)	(3,930)	(35,681)	(5,711)	(84.0%)
Interest received	140	12	8	27.9%
Government receipts	55,612	3,935	3,578	9.1%
Contributions	703	(10)	52	614.6%
Net cash inflow(outflow) from operating activities	52,525	(31,745)	(2,072)	(93.5%)
Cash flows from investing activities				
Net movement in other financial assets	13,553	16,000	(2,000)	112.5%
Infrastructure, property, plant & equipment - proceeds	500	30	30	(0.0%)
Infrastructure, property, plant & equipment - payments	(62,596)	(3,474)	(7,966)	129.3%
Net cash inflow(outflow) from investing activities	(48,543)	12,556	(9,936)	179.1%
Cash flows from financing activities				
Finance Cost	(714)	8	(32)	(505.2%)
Proceeds from interest bearing loans and borrowings	-	-	-	
Repayment of interest-bearing loans and borrowings	(2,762)	(119)	(119)	0.0%
Interest Paid - Lease Liability	(11)	(2)	(2)	(14.4%)
Repayment of Lease Liability	(158)	(25)	(20)	(18.1%)
Net cash inflow(outflow) from financing activities	(3,645)	(139)	(174)	25.7%
Net increase(decrease) in cash and equivalents	337	(19,328)	(12,182)	(37.0%)
Cash and equivalents at the beginning of the year	19,135	32,245	32,245	(0.0%)
Cash and equivalents at the end of the year	19,472	12,917	20,063	(55.3%)

Greater Shepparton City Council
Capital Works Statement
 period ended August 2022

Capital Works Area	2022/2023	2022/2023	YTD	2022/2023	Adopted	Budget	Variance	Note
	YTD	YTD	Adopted					
	Adopted	Actual	Budget					
	\$'000	\$'000	(Fav)/Unfav					
			%					
Aerodrome	0	0	0%	0	0	0%		
Bridges	0	134	100%	701	701	0%	1	
Buildings	179	156	(13%)	2,592	2,592	0%		
Computer & Telecommunications	100	121	21%	280	280	0%		
Drainage	180	4	(98%)	444	444	0%	2	
Fixture Fittings and Furniture	0	106	100%	246	246	0%	3	
Footpaths & Cycleways	63	237	278%	7,693	7,693	0%	4	
Land	0	308	100%	0	308	100%	5	
Land Improvements	529	12	(98%)	1,657	1,657	0%	6	
Off Street Car Parks	0	0	0%	0	0	0%		
Parks, Open Space & Streetscape	845	220	(74%)	2,271	2,271	0%	7	
Plant Machinery & Equipment	811	838	3%	5,281	5,603	6%	8	
Recreational Leisure and Community Facilities	1,519	856	(44%)	5,930	5,950	0%	9	
Roads	3,802	4,473	18%	32,683	33,441	2%	10	
Waste Management	320	213	(33%)	1,115	1,115	0%	11	
Other Infrastructure	8	6	(28%)	535	535	0%		
Project Management Office	202	250	24%	1,167	1,167	0%		
Total Capital Works	8,558	7,934	(7%)	62,596	64,003	2%		

Capital Works Area	2022/2023	2022/2023	YTD	2022/2023	Adopted	Budget	Variance	Note
	YTD	YTD	Adopted					
	Adopted	Actual	Budget					
	\$'000	\$'000	(Fav)/Unfav					
			%					
Renewal	2,239	2,214	(1%)	21,114	20,367	(4%)		
Upgrade	3,602	3,893	8%	31,060	31,450	1%		
New	1,334	747	(44%)	5,177	6,941	34%		
Expansion	1,180	830	(30%)	4,077	4,077	0%		
Project Management Office	202	250	24%	1,167	1,167	0%		
Total Capital Works	8,558	7,934	(7%)	62,596	64,003	2%		

Notes to the Capital Works Statement for period ended August 2022

- 1) Bridges is \$134k more than YTD Adopted Budget. This unfavourable variance is mostly due to the timing of bridge renewal works on the Murchison Rail Trail bridge (\$134k).
- 2) Drainage is \$176k less than YTD Adopted Budget. This favourable variance is mostly due to delays in the Southdown Precinct Yakka Basin Landscaping project (\$180k) due to wet weather. This project is still on track to be completed within expected time frames.
- 3) Fixture, Fittings and Furniture is \$106k more than YTD Adopted Budget. This unfavourable variance is mostly due to the timing of materials for Riverlinks moving and cyc lights projects (\$106k).
- 4) Footpaths and Cycleways is \$175k more than YTD Adopted Budget. This unfavourable variance is mostly due to the timing of footpath renewal (\$100k) and footpath connectivity (\$83k) works.
- 5) Land is \$308k more than YTD Adopted Budget and projecting to be \$308k more than 2022/2023 Adopted Budget. These unfavourable variances are mostly due to the Farquharson land acquisition, budgeted for in 2021/2022, but completed in 2022/2023.
- 6) Land Improvements is \$517k less than YTD Adopted Budget. This unfavourable variance is mostly due to the tendering delays for the SAM precinct works (\$517k).
- 7) Parks, Open Space and Streetscapes is \$625k less than YTD Adopted Budget. This favourable variance is mostly due to the timing of Victoria Parks Lake pedestrian lighting works (\$500k).
- 8) Plant, Machinery and Equipment is projecting to be \$321k more than 2022/2023 Adopted Budget. This unfavourable variance is mostly due to the approved purchase of new plant items at Cosgrove Landfill.
- 9) Recreational Leisure and Community Facilities is \$663k less than YTD Adopted Budget. This favourable variance is mostly due to the timing of works for the Vibert Reserve Pavilion redevelopment (\$433k) and Stadium/Munarra wetland and drainage upgrade (\$250k).
- 10) Roads is \$670k more than YTD Adopted Budget mostly due to the timing of works and contract payments for the Maude St Mall redevelopment (\$815k).
- 11) Waste Management is \$107k less than YTD Adopted Budget. This favourable variance is due to the timing of Cosgrove 2 cell 4 capping works (\$107k).