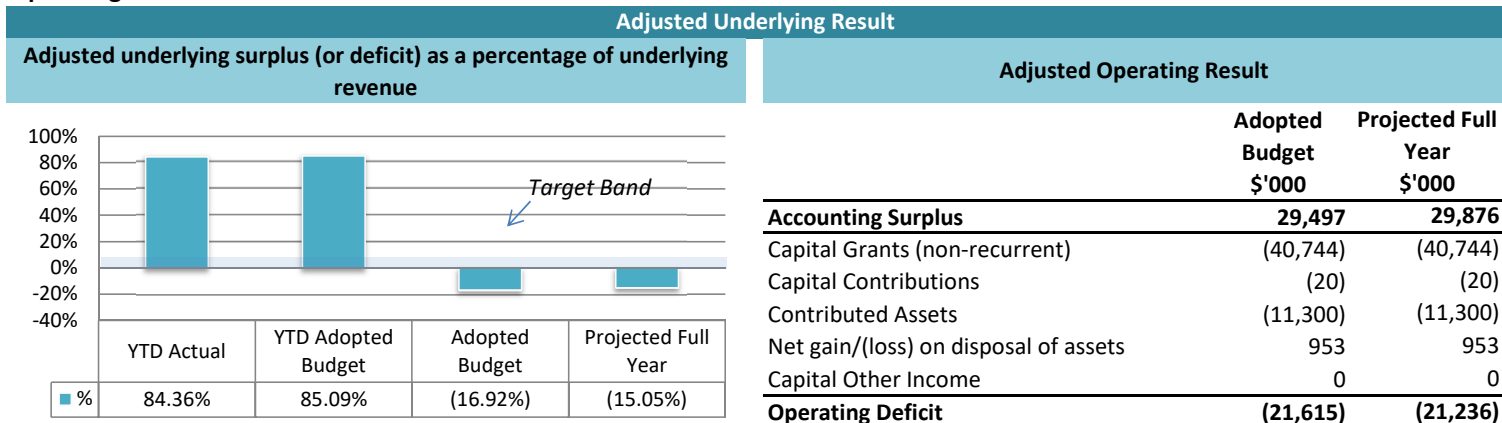


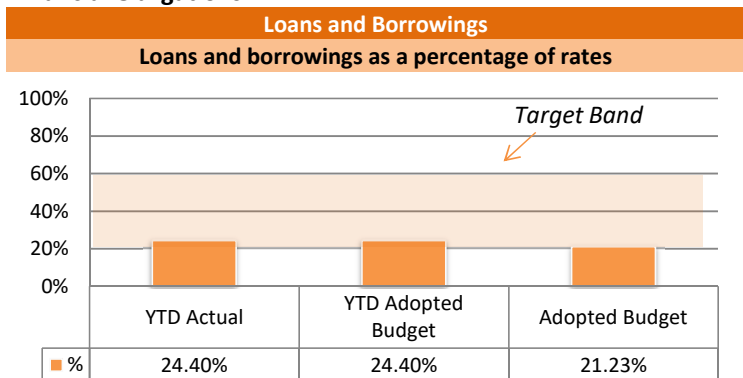
MONTHLY FINANCIAL REPORT JULY 2022

Operating Performance

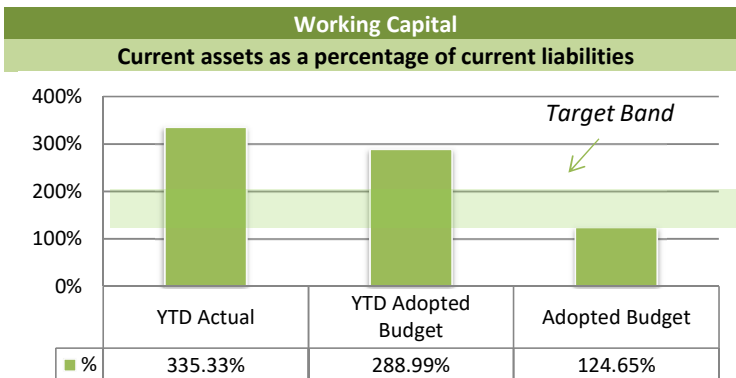


The surplus has been adjusted to reflect the true operating result by removing items that do not fund Council operations. Capital income including non-recurrent grants, contributions and other capital income is used to fund the capital works program, while contributed assets and the net loss on disposal of assets are non-cash items.

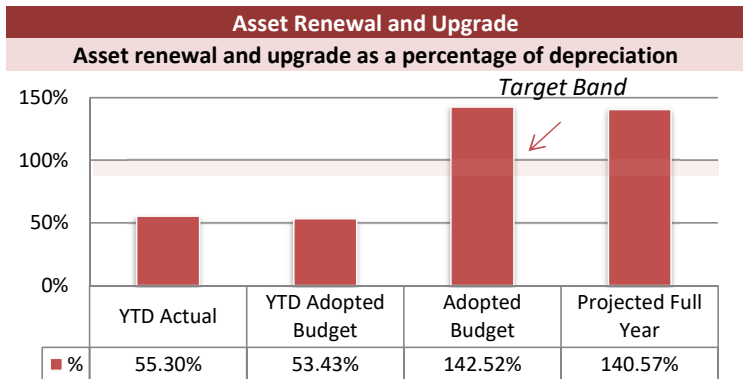
Financial Obligations



Financial Health



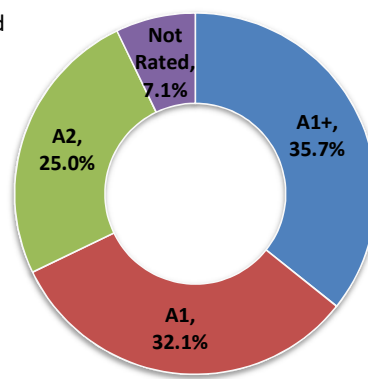
Asset Renewal



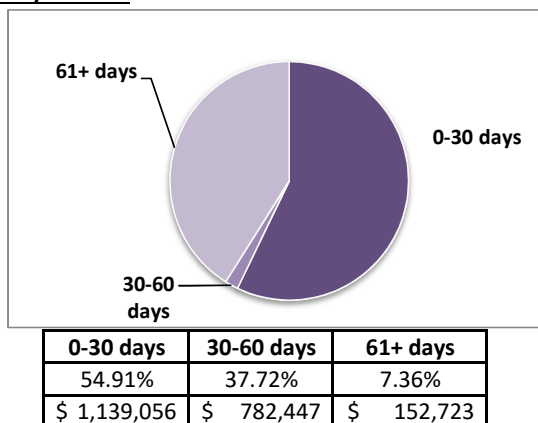
Investments

There is currently \$28m invested at an average interest rate of 1.51%. \$6m is invested in Green Term Deposits. \$43k interest income received. Credit ratings indicate the capacity of the obligor to meet its financial commitment:

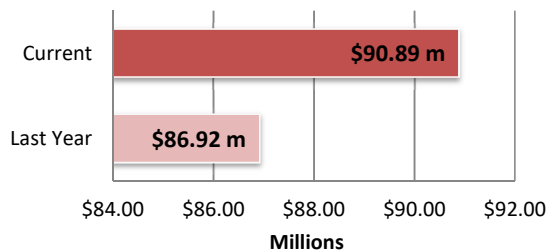
- A1+ Extremely Strong
- A1 Strong
- A2 Satisfactory
- Non-Rated GMCU



Sundry Debtors



Rates Debtors



- 2022/2023 rates raised in July 2022
- Total 33,906 Rate assessments
- 251 payment arrangements:
 - Down 170 from May 2022
 - up 50 same time last year (201 July 2021)

Greater Shepparton City Council

Operating Statement for period ended July 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	2022/2023	YTD	2022/2023	2022/2023	Adopted
	YTD	YTD	Adopted	Adopted	Projected Full	Budget
	Adopted	Actual	Budget	Budget	Year	Variance
						(Fav)/Unfav
	\$'000	\$'000	(Fav)/Unfav	\$'000	\$'000	%
			%			
Revenues from Operating Activities						
Rates and Charges	86,412	86,422	(0.0%)	87,081	87,081	0.0%
Statutory Fees	249	252	(1.3%)	3,078	3,078	0.0%
User Charges	1,230	1,235	(0.4%)	19,176	19,159	0.1%
Operating Grants*	11,999	12,179	(1.5%)	25,936	26,004	(0.3%)
Operating Contributions	9	10	(14.6%)	683	744	(8.9%)
Other	78	122	(56.7%)	1,055	1,446	(37.1%)
Total Operating Revenue	99,977	100,220	(0.2%)	137,009	137,511	(0.4%)
Expenses from Operating Activities						
Employee Costs	4,726	5,086	7.6%	57,250	57,577	0.6%
Materials and Services*	5,159	5,475	6.1%	48,905	49,141	0.5%
Bad & Doubtful Debts	1	0	0.0%	62	62	0.0%
Depreciation	3,068	3,068	(0.0%)	36,609	36,609	0.0%
Amortisation	12	16	35.6%	704	704	0.0%
Borrowing Costs	(8)	(8)	0.0%	714	714	0.0%
Finance Costs - Leases	1	1	(15.0%)	11	11	0.0%
Other Expenses	107	103	(4.0%)	688	688	0.0%
Total Operating Expenses	13,065	13,741	5.2%	144,944	145,507	0.4%
ADJUSTED OPERATING RESULT	86,911	86,479	0.5%	(7,935)	(7,995)	(0.8%)

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

Other Income is projecting to be \$391k (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	0	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	9	0	342	0
Edgewater Estate Intersection	70	97	0	0	0	0
Wheeler St - New Dookie Rd Intersection	1,597	1,597	181	501	501	0
Orrvale Rd and Poplar Ave	260	260	0	0	0	0
Roundabout Enabling Works						
Numurkah Road/Hawkins St Intersection	100	100	0	0	0	0
Murchison-Toolamba Community Hub Design	80	80	0	0	0	0
Total excluded from Operating Statement	4,388	4,757	189	1,247	1,589	0

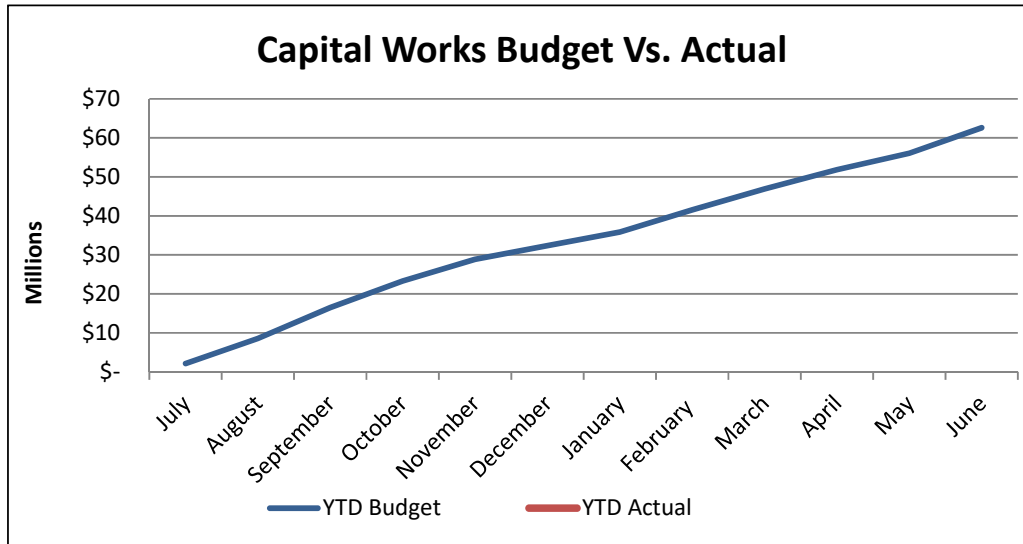
Greater Shepparton City Council

Capital Summary
period ended July 2022

	YEAR TO DATE			FULL YEAR		
	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
	\$	\$	%	\$	\$	%
Capital Income						
Capital Grants	115	0	100.0%	41,371	41,837	(1.1%)
Capital Contributions	0	115	(100.0%)	20	20	0.0%
Proceeds from Sale of Assets	30	30	(0.0%)	1,817	1,817	0.0%
Total Capital Income	144	145	(0.3%)	43,208	43,674	(1.1%)
Capital Expenditure						
Renewal	333	356	(6.9%)	21,114	20,367	3.5%
Upgrade	1,306	1,341	(2.6%)	31,060	31,095	(0.1%)
New	56	418	(648.9%)	5,177	6,613	(27.7%)
Expansion	341	345	(1.2%)	4,077	4,077	0.0%
Total Capital Expenditure	2,036	2,460	(20.8%)	61,429	62,153	(1.2%)

***Capital expenditure totals exclude Project Management Office expenditure*

Capital Expenditure is projected to be \$724k (1.2%) 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 due to approved new plant items for Cosgrove Landfill (\$321k).



Capital Works Forecast as a % of Adopted Budget	
Projected Full Year	Council Plan Target
101.18%	90.00%

Greater Shepparton City Council

Income Statement

for period ended July 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	
	\$	\$	%	\$	\$	%	
Revenues from Operating Activities							
Rates and Charges	86,412	86,422	(0.0%)	87,081	87,081	0.0%	
Statutory Fees	249	252	(1.3%)	3,078	3,078	0.0%	
User Charges	1,230	1,235	(0.4%)	19,176	19,159	0.1%	
Operating Grants	833	1,013	(21.6%)	16,017	16,427	(2.6%)	1
Operating Contributions	9	10	(14.6%)	683	744	(8.9%)	
Other	78	122	(56.7%)	1,055	1,446	(37.1%)	2
Total Operating Revenue	88,811	89,054	(0.3%)	127,090	127,934	(0.7%)	
Expenses from Operating Activities							
Employee Costs	4,726	5,086	7.6%	57,250	57,577	0.6%	
Materials and Services	5,340	5,664	6.1%	53,293	53,898	1.1%	
Bad & Doubtful Debts	1	0	(100.0%)	62	62	0.0%	
Depreciation	3,068	3,068	(0.0%)	36,609	36,609	0.0%	
Amortisation - Leases	12	16	35.6%	704	704	0.0%	
Borrowing Costs	(8)	(8)	0.0%	714	714	0.0%	
Finance Costs - Leases	1	1	(15.0%)	11	11	0.0%	
Other Expenses	107	103	(4.0%)	688	688	0.0%	
Total Operating Expenses	13,246	13,930	5.2%	149,332	150,264	0.6%	
UNDERLYING OPERATING RESULT	75,565	75,124	0.6%	(22,242)	(22,329)	(0.4%)	
Non-operating Income and Expenditure							
Capital Grants	115	0	100.0%	41,371	41,837	(1.1%)	
Capital Contributions	0	115	100.0%	20	20	0.0%	
Contributed Assets	0	0	0.0%	11,300	11,300	0.0%	
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	144	145	(0.3%)	51,739	52,205	(0.9%)	
ACCOUNTING SURPLUS/(DEFICIT)	75,709	75,268	0.6%	29,497	29,876	(1.3%)	

Notes to the Income Statement for period ended July 2022

1) Operating Grants is \$180k more than YTD Adopted Budget. This favourable variance is mostly due to additional grant funding for COVID-19 Business Support State Government funding (\$120k).

2) Other Income is projecting to be \$391k more than 2022/2023 Adopted Budget. This favourable variance is mostly due to favourable interest rates for investments resulting in more interest income (\$355k).

Greater Shepparton City Council

Balance Sheet

as at July 2022

	Total Actual June 2022*	Adopted Budget June 2023	YTD Adopted Budget 2023	YTD Actual 2023	Total Actual June 2022 Variance (Fav)/Unfav %	Adopted Budget Variance (Fav)/Unfav %	Notes
	\$ ' 000	\$ ' 000	\$ ' 000	\$ ' 000			
Current Assets							
Cash and Cash Equivalent	32,245	19,472	20,426	24,475	24.1%	(25.7%)	
Receivables	16,000	13,774	103,532	103,532	(547.1%)	(651.6%)	1
Other Financial Assets	16,000	-	-	16,000	0.0%	(100.0%)	
Inventories	159	156	241	241	(51.2%)	(54.4%)	
Assets Held for Resale	711	63	711	711	0.0%	(1,027.8%)	2
Other Assets	1,804	1,579	119	119	93.4%	92.5%	
Total Current Assets	66,918	35,044	125,028	145,076	(116.8%)	(314.0%)	
Non Current Assets							
Investment in Associates	1,598	1,598	1,598	1,598	0.0%	0.0%	
Infrastructure	1,294,864	1,366,871	1,293,934	1,294,358	0.0%	5.3%	
Intangible Assets	28,480	28,108	28,480	28,480	0.0%	(1.3%)	
Right-of-use Assets	400	246	383	383	4.1%	(55.9%)	
Total Non Current Assets	1,325,341	1,396,823	1,324,395	1,324,819	0.0%	5.2%	
Total Assets	1,392,259	1,431,867	1,449,423	1,469,895	(5.6%)	(2.7%)	
Current Liabilities							
Trade & Other Payables	21,089	9,142	16,659	16,659	(21.0%)	82.2%	
Trust Funds	5,103	3,656	11,872	11,872	132.7%	224.7%	
Provisions	11,766	12,332	11,924	11,924	1.3%	(3.3%)	
Interest Bearing Liabilities	2,780	2,856	2,661	2,661	(4.3%)	(6.8%)	
Lease Liabilities	158	129	148	148	(6.5%)	14.4%	
Total Current Liabilities	40,896	28,115	43,264	43,264	5.8%	53.9%	
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	85,949	85,949	2.8%	25.4%	
Net Assets	1,308,679	1,363,307	1,363,474	1,383,947	94.2%	(1.5%)	
Represented By							
Accumulated Surplus	496,383	526,355	551,178	571,651	(15.2%)	(8.6%)	
Reserves	812,296	836,952	812,296	812,296	0.0%	2.9%	
Total Equity	1,308,679	1,363,307	1,363,474	1,383,947	94.2%	(1.5%)	

* June 2022 figures are subject to change until 2021/2022 end of financial year audit is complete.

Notes to the Balance Sheet as at July 2022

1) Receivables is showing a large YTD Actual balance due to the 2022/2023 rates being raised in July 2022. This balance will reduce throughout the financial year as rates debtors payments are received.

2) Assets held for resale was revised up after the adopted 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 July 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	7,335	6,095	16.9%
Payments to suppliers	(110,745)	(33,734)	(12,143)	(64.0%)
Net cash inflow(outflow) from customers(suppliers)	(3,930)	(26,400)	(6,048)	(77.1%)
Interest received	140	7	7	0.0%
Government receipts	55,612	948	1,013	(6.9%)
Contributions	703	(147)	(31)	79.0%
Net cash inflow(outflow) from operating activities	52,525	(25,592)	(5,058)	(80.2%)
Cash flows from investing activities				
Net movement in other financial assets	13,553	16,000	-	100.0%
Infrastructure, property, plant & equipment - proceeds	500	30	30	(0.0%)
Infrastructure, property, plant & equipment - payments	(62,596)	(2,134)	(2,578)	20.8%
Net cash inflow(outflow) from investing activities	(48,543)	13,896	(2,549)	118.3%
Cash flows from financing activities				
Finance Cost	(714)	8	(32)	(505.2%)
Proceeds from interest bearing loans and borrowings	-	-	-	0.0%
Repayment of interest-bearing loans and borrowings	(2,762)	(119)	(119)	0.0%
Interest Paid - Lease Liability	(11)	(1)	(1)	(15.0%)
Repayment of Lease Liability	(158)	(10)	(10)	0.0%
Net cash inflow(outflow) from financing activities	(3,645)	(123)	(163)	32.9%
Net increase(decrease) in cash and equivalents	337	(11,819)	(7,770)	(34.3%)
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	20,426	24,475	(19.8%)

Greater Shepparton City Council
Capital Works Statement
 period ended July 2022

Capital Works Area	2022/2023	2022/2023	YTD	2022/2023	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	0	0%	701	701	0%			
Buildings	19	74	293%	2,592	2,592	0%			
Computer & Telecommunications	0	19	100%	280	280	0%			
Drainage	0	0	0%	444	444	0%			
Fixture Fittings and Furniture	0	0	0%	246	246	0%			
Footpaths & Cycleways	0	0	0%	7,693	7,693	0%			
Land	0	308	100%	0	0	0%	1		
Land Improvements	9	9	(0%)	1,657	1,657	0%			
Off Street Car Parks	0	0	0%	0	0	0%			
Parks, Open Space & Streetscape	37	40	8%	2,271	2,271	0%			
Plant Machinery & Equipment	244	244	0%	5,281	5,603	6%	2		
Recreational Leisure and Community Facilities	371	370	(0%)	5,930	5,930	0%			
Roads	1,335	1,374	3%	32,683	33,086	1%	3		
Waste Management	21	21	0%	1,115	1,115	0%			
Other Infrastructure	0	(0)	0%	535	535	0%			
Project Management Office	102	102	0%	1,167	1,167	0%			
Total Capital Works	2,138	2,562	20%	62,596	63,320	1%			

Capital Works Area	2022/2023	2022/2023	YTD	2022/2023	2022/2023	Adopted	Budget	Variance	Note
	YTD	YTD	Adopted						
	Adopted	Actual	Budget						
	\$ ' 000	\$ ' 000	(Fav)/Unfav						
			%						
Renewal	333	356	7%	21,114	20,367	(4%)			
Upgrade	1,306	1,341	3%	31,060	31,095	0%			
New	56	418	649%	5,177	6,613	28%			
Expansion	341	345	1%	4,077	4,077	0%			
Project Management Office	102	102	0%	1,167	1,167	0%			
Total Capital Works	2,138	2,562	20%	62,596	63,320	1%			

Notes to the Capital Works Statement for period ended July 2022

- 1) Land is \$308k more than YTD Adopted Budget. This unfavourable variance is mostly due to the Farquhason land acquisition, budgeted for in 2021/2022, but completed in 2022/2023.
- 2) 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.
- 3) Roads is projected to be \$403k 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.