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# Borough of Queenscliffe

## Quarterly Financial Report

### 31 March 2024



**Borough of Queenscliffe**  
Queenscliff & Point Lonsdale, Victoria, Australia

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## Introduction

Section 97 of the Local Government Act 2020 requires a financial report to be presented to Council after the end of each quarter of the financial year, comparing expenses and revenue against the adopted budget. The financial report has to contain explanations for any material variations from the adopted budget.

The adopted budget represents the financial position and intent at a point in time and can become outdated during the financial year, as new information and new matters come to light. As a result, Council focuses on its quarterly review of the projected year-end forecast outcome.

Council has adopted a materiality threshold of 10% or a dollar variance of +/- \$100,000 for budget items. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

Actual Year to Date (YTD) figures presented in this report include income from rates and charges apportioned for the reporting period. However, in some instances income and expense items for the full-year are included in the actual YTD figures.

**Gihan Kohobange**  
**Manager, Financial and Corporate Services**

## Executive summary

According to the Local Government Performance Reporting Framework (LGPRF) definition, the underlying result indicates a deficit of \$868,000 and when considering the underlying result on a recurring basis, there is a projected surplus of \$58,000. Both these forecasted results aligning closely with the forecasted yearend result from the previous quarter, with only minor adjustments made to certain expense items.

The expected cash surplus by the end of the 2023-24 year is predicted to reach \$218,000.

The Council has spent \$501,000 on the ICT transformation project, with \$394,000 from grants. However, as per Australian accounting standards, these expenses cannot be capitalised and must be reclassified as operating expenses. This adjustment will be made at year-end after consulting with auditors. Although it won't affect cash result and underlying result on the recurring basis, it will negatively impact the LGPRF measurement.

Year-to-date, the Council has used \$830,000 of the \$3.5 million forecasted capital expenditure. It's unlikely the total spend will match the projection. Point Lonsdale Maritime & Defence Precinct project spent only \$55,000 of its \$1 million budget. Any surplus funds at year-end will be transferred to reserve accounts for future work on those capital projects and asset renewals.

Headline changes between quarter 2 and quarter 3 year-end forecasts, are included throughout this report with an explanation provided for all material variances.

## Financial sustainability indicators – Council Plan

2023–24 projected year-end result **meets all financial sustainability indicators specified in the Council Plan 2021–2025**, as summarised below.

| Policy Statement   | Measure  | Indicator  | Target | Actual 2022-23 | Annual Forecast 2023-24 Q2 | Annual Forecast 2023-24 Q3 |
|--|--|--|--------|----------------|----------------------------|----------------------------|
| <b>Sustainable operating result</b>  |  |  |        |                |                            |                            |
| Consistent operating results (in \$'000).  | <b>Our adjusted underlying result:</b> The difference between recurrent income and recurrent expenses.   | Our adjusted underlying result                                 | > \$0  | \$402          | \$58                       | \$62                       |
| <b>Working capital</b>   |  |  |        |                |                            |                            |
| Ensure Council maintains sufficient working capital to meet its obligations as they fall due.  | <b>Current assets vs current liabilities:</b> The value of our current assets divided by our current liabilities.  | Current assets vs current liabilities                          | > 1.0  | 4.58           | 4.81                       | 4.81                       |
| Council maintains sufficient unrestricted cash to ensure ongoing liquidity as well as to address unforeseen cash imposts if required.      | <b>Level of unrestricted cash reserve against current liabilities:</b> Our current liabilities as a percentage of our unrestricted cash reserves (based on the remaining maturity).                    | Level of unrestricted cash reserve against current liabilities | > 100% | 426.8%         | 231.0%                     | 230.9%                     |
| <b>Borrowings</b>  |  |  |        |                |                            |                            |
| That Council applies loan funding to new capital and maintains total borrowings in line with rate income and growth of the municipality.   | <b>Total borrowings against rate revenue:</b> Our total borrowings as a percentage of our rate revenue.  | Total borrowings against rate revenue                          | < 15%  | 0%             | 0%                         | 0%                         |
| <b>Commitment for asset renewals</b>   |  |  |        |                |                            |                            |
| Allocate adequate funds towards renewal capital in order to replace assets and infrastructure as they reach the end of their service life. | <b>Asset renewal and upgrade expenses against depreciation:</b> The financial investment in asset renewal and upgrade work divided by the cost of depreciation (based on three years rolling average). | Asset renewal and upgrade expenses against depreciation        | > 100% | 316.8%         | 321.6%                     | 321.6%                     |
| Council generates sufficient revenue from rates plus fees and charges to ensure a consistent funding for renewal capital.                  | <b>Council's contribution to asset renewal and upgrade:</b> Council's contribution to asset renewal and upgrade expenses as a percentage of Own Source Revenue.  | Council's contribution to asset renewal and upgrade            | > 10%  | 16%            | 17%                        | 17%                        |

## 1. Financial statements

This section includes quarterly reporting against the five key financial statements in accordance with both the *Local Government Act 2020* and the Local Government Model Financial Report.

### 1.1. Comprehensive Income Statement

The anticipated comprehensive year-end outcome stands at \$645,000, aligning closely with the forecasted yearend result from the previous quarter, with only minor adjustments made to certain expense items.

| Comprehensive Income Statement                 | Actual<br>2022-23 | Annual<br>Forecast<br>2023-24<br>Q2 | Annual<br>Forecast<br>2023-24<br>Q3 | Actual<br>YTD<br>2023-24 | Variance from<br>Q2 |               |
|--|-------------------|-------------------------------------|-------------------------------------|--------------------------|---------------------|---------------|
|  | \$'000            | \$'000                              | \$'000                              | \$'000                   | \$'000              | %             |
| <b>Income</b>                                  |                   |                                     |                                     |                          |                     |               |
| Rates and charges                              | 8,110             | 8,496                               | 8,496                               | 6,384                    | 0                   | 0.0%          |
| Statutory fees and fines                       | 172               | 120                                 | 120                                 | 106                      | 0                   | 0.0%          |
| User fees                                      | 2,070             | 2,080                               | 2,080                               | 1,791                    | 0                   | 0.0%          |
| Grants - operating                             | 1,370             | 1,807                               | 1,807                               | 1,233                    | 0                   | 0.0%          |
| Grants - capital                               | 2,232             | 1,513                               | 1,513                               | 1,043                    | 0                   | 0.0%          |
| Other income                                   | 492               | 638                                 | 638                                 | 723                      | 0                   | 0.0%          |
| Net gain on disposal of PPE and infrastructure | 110               | 35                                  | 35                                  | 91                       | 0                   | 0.0%          |
| <b>Total income</b>                            | <b>14,556</b>     | <b>14,690</b>                       | <b>14,690</b>                       | <b>11,369</b>            | <b>0</b>            | <b>0.0%</b>   |
| <b>Expenses</b>                                |                   |                                     |                                     |                          |                     |               |
| Employee costs                                 | 5,037             | 5,313                               | 5,313                               | 3,886                    | 0                   | 0.0%          |
| Materials and services                         | 5,240             | 6,707                               | 6,709                               | 3,630                    | 2                   | 0.0%          |
| Depreciation                                   | 1,244             | 1,372                               | 1,372                               | 929                      | 0                   | 0.0%          |
| Bad and doubtful debts                         | 0                 | 3                                   | 3                                   | 0                        | 0                   | 0.0%          |
| Other expenses                                 | 1,409             | 647                                 | 648                                 | 327                      | 1                   | 0.2%          |
| <b>Total expenses</b>                          | <b>12,930</b>     | <b>14,042</b>                       | <b>14,045</b>                       | <b>8,772</b>             | <b>3</b>            | <b>0.0%</b>   |
| <b>Surplus / (deficit) for the year</b>        | <b>1,626</b>      | <b>648</b>                          | <b>645</b>                          | <b>2,598</b>             | <b>(3)</b>          | <b>(0.5%)</b> |
| <b>Other comprehensive income</b>              |                   |                                     |                                     |                          |                     |               |
| Net asset revaluation increment / (decrement)  | (2,397)           | 0                                   | 0                                   | 0                        | 0                   | 0.0%          |
| <b>Total comprehensive result</b>              | <b>(771)</b>      | <b>648</b>                          | <b>645</b>                          | <b>2,598</b>             | <b>(3)</b>          | <b>(0.5%)</b> |

To date, the Council has incurred \$501,000 toward the ICT transformation project, with \$394,000 sourced from grants. Within this initiative, the Council has procured a suite of vendor-hosted software (Cloud-based Software or Software as a Service (SaaS)).

According to Australian accounting standards, expenses for acquiring SaaS can only be capitalised if two conditions are met:

1. There exists a contractual right to take possession of the software without significant penalties during the hosting period.
2. It is viable to either operate the software on the entity's hardware or engage an external party unrelated to the vendor for hosting.

Given the nature of typical SaaS arrangements, the software acquired by the Council fails to meet these criteria. Consequently, the incurred expenses must be reclassified as capital expenditure not meeting the capitalisation standards, categorised under other expenses.

This adjustment will occur at year-end following consultations with the Council's auditors regarding the appropriate accounting treatment. While this reclassification does not have any cash impact, it will adversely impact the underlying result as per LGPRF measurement.

### 1.1.1. Underlying result

Measured against the Local Government Performance Reporting Framework (LGPRF) definition, the adjusted underlying result of the Council, after excluding non-recurrent capital grants, cash capital contributions, and non-monetary capital contributions, reveals a projected deficit of \$0.87 million (-6.6%).

The underlying result based on LGPRF is influenced by various factors, including the timing of recurring operating grants, particularly Financial Assistance Grant (FAG), as well as non-recurring operating grants and non-recurring expenses that occur within a given year. To derive a more meaningful representation of the underlying result, it is advisable to evaluate it by excluding the effects of non-recurring operating income and expenses. Additionally, adjustments should be made for the timing of recurring operating grants, where applicable, as defined in the Borough's Council Plan.

Even if the Council Plan proposes an alternative approach to the LGPRF to gauge the underlying result, the methodology outlined in the paragraph above aims to establish a consistent method for estimating the recurring basis of the underlying result. This consistency is crucial for facilitating accurate and meaningful comparisons across financial years given the size (size of the budget) of the organisation, allowing for a more reliable assessment of the Borough's financial performance.

A reconciliation between the LGPRF and the recurring basis underlying results (Council Plan measure) is provided below.

| Underlying Result   | Actual<br>2022-23 | Annual<br>Forecast<br>2023-24<br>Q2 | Annual<br>Forecast<br>2023-24<br>Q3 | Actual<br>YTD<br>2023-24 | Variance from<br>Q2 |               |
|---|-------------------|-------------------------------------|-------------------------------------|--------------------------|---------------------|---------------|
|   | \$'000            | \$'000                              | \$'000                              | \$'000                   | \$'000              | %             |
| <b>Based on the LGPRF measure</b>                             |                   |                                     |                                     |                          |                     |               |
| <b>Surplus / (deficit) for the year</b>                       | <b>1,626</b>      | <b>648</b>                          | <b>645</b>                          | <b>2,598</b>             | <b>(3)</b>          | <b>(0.5%)</b> |
| Less: Grants - capital (non-recurrent)                        | (2,232)           | (1,513)                             | (1,513)                             | (1,043)                  | 0                   | 0.0%          |
| Less: Contributions - monetary - capital                      | 0                 | 0                                   | 0                                   | 0                        | 0                   | 0.0%          |
| <b>Adjusted underlying surplus / (deficit)</b>                | <b>(606)</b>      | <b>(865)</b>                        | <b>(868)</b>                        | <b>1,555</b>             | <b>(3)</b>          | <b>0.4%</b>   |
| <b>Adjusted Underlying Result - %</b>                         | <b>-4.9%</b>      | <b>-6.6%</b>                        | <b>-6.6%</b>                        | <b>15.1%</b>             |                     |               |
| <b>On recurring basis (based on the Council Plan measure)</b> |                   |                                     |                                     |                          |                     |               |
| <b>Adjusted underlying surplus / (deficit) - LGPRF</b>        | <b>(606)</b>      | <b>(865)</b>                        | <b>(868)</b>                        | <b>1,555</b>             |                     |               |
| <b>Adjusted for;</b>  |                   |                                     |                                     |                          |                     |               |
| Allocating FAG to the year they relate                        | 68                | 510                                 | 510                                 | 510                      | 0                   | 0.0%          |
| Annualised Road to Recovery grant (R2R)                       | 38                | 40                                  | 40                                  | 40                       | 0                   | 0.0%          |

| Underlying Result  | Actual<br>2022-23 | Annual<br>Forecast<br>2023-24<br>Q2 | Annual<br>Forecast<br>2023-24<br>Q3 | Actual<br>YTD<br>2023-24 | Variance from<br>Q2 |               |
|--|-------------------|-------------------------------------|-------------------------------------|--------------------------|---------------------|---------------|
|  | \$'000            | \$'000                              | \$'000                              | \$'000                   | \$'000              | %             |
| Removal of grant-funded non-recurring operating project related costs net of grants (council contribution)             | (15)              | 21                                  | 21                                  | (378)                    | 0                   | 0.0%          |
| Removal of non-recurring operating project related costs funded via Council's own funds (reserve and operational cash) | 168               | 291                                 | 291                                 | 29                       | 0                   | 0.0%          |
| Removal of waste management cost to be recovered in future years   | 86                | 37                                  | 37                                  | (284)                    | 0                   | 0.0%          |
| Removal of capital expenditure reclassified as operating expenses not meeting capitalisation criteria / threshold      | 773               | 0                                   | 0                                   | 0                        | 0                   | 0.0%          |
| Removal of employee cost of temporary staff  | 0                 | 0                                   | 0                                   | 0                        | 0                   | 0.0%          |
| Removal of costs associated with parallel running of new and existing systems for planned system changeover            | 0                 | 62                                  | 62                                  | 62                       | 0                   | 0.0%          |
| Removal of the impact of the sale of assets  | (110)             | (35)                                | (35)                                | (91)                     | 0                   | 0.0%          |
| <b>Adjusted underlying surplus / (deficit)</b>   | <b>403</b>        | <b>61</b>                           | <b>58</b>                           | <b>1,444</b>             | <b>(3)</b>          | <b>(5.1%)</b> |

|                                       |             |             |             |              |
|---------------------------------------|-------------|-------------|-------------|--------------|
| <b>Adjusted Underlying Result - %</b> | <b>3.7%</b> | <b>0.5%</b> | <b>0.5%</b> | <b>15.4%</b> |
|---------------------------------------|-------------|-------------|-------------|--------------|

#### 1. Allocating FAG to the year they relate

The table below summarises the FAG allocation for each year and the timing of the payment of each year's allocation. Council received a significant part of the 2023-24 FAG in advance in June 2023.

| Grant Allocation Year | Grant Payment Year |                |               | Total          | Change |
|-----------------------|--------------------|----------------|---------------|----------------|--------|
|                       | 2021-22            | 2022-23        | 2023-24       |                |        |
|                       | \$                 | \$             | \$            | \$             | %      |
| 2021-22 Allocation    | 377,188            | 0              | 0             | 503,658        |        |
| 2022-23 Allocation    | 482,780            | 27,084         | 27,470        | 537,334        | 6.7%   |
| 2023-24 Allocation    | 96,242             | 441,718        | 1,026         | <b>538,986</b> | 0.3%   |
| <b>Total</b>          | <b>956,210</b>     | <b>468,802</b> | <b>28,496</b> |                |        |

Australian accounting standards prohibit Council from classifying the FAG received in advance as deferred income. This is because the grants lack spending obligations, as a result Council has the discretion to allocate/use the funds in the year of receipt, regardless of their intended allocation year. Best practice in Local Government and the practice that Council follows is assigning the grant to the allocation year.

The adjustment included in the above reconciliation is the difference between the total grant allocation for 2023-24 (\$538,986) and the grant amount to be received during the financial year 2023-24 (\$28,496).

2. Removal of grant-funded non-recurring operating project related costs net of grants (Council contribution)

Some expenses associated with non-recurrent grants funded projects may have been allocated to employee costs. However, it's important to note that employee costs have not been factored into this analysis due to their inherent likelihood of being incurred regardless.

3. Removal of non- recurring operating project related costs funded via Council's own funds (reserve and operational cash)

| Project   | Forecast<br>2023-24 Q2 | Forecast<br>2023-24 Q3 | Change   |
|---|------------------------|------------------------|----------|
|   | \$                     | \$                     | \$       |
| Review of the Queenscliffe Planning Scheme                  | 20,000                 | 20,000                 | 0        |
| Golightly Development Engagement Plan                       | 50,000                 | 50,000                 | 0        |
| Victoria Park - Development of a Tree Management Plan       | 23,000                 | 23,000                 | 0        |
| Marine Coastal Management Plan (MCMP) and Vegetation Study* | 60,000                 | 60,000                 | 0        |
| Reconciliation Action Plan Project                          | 20,000                 | 20,000                 | 0        |
| Wadawurrung Signage   | 20,000                 | 20,000                 | 0        |
| Inception Digital Web based Door Locking System             | 18,000                 | 18,000                 | 0        |
| Energy Efficiency Audit and Education Program               | 17,600                 | 17,600                 | 0        |
| Cultural Heritage Awareness                                 | 15,000                 | 15,000                 | 0        |
| Review of Council's Toilet Strategy                         | 10,000                 | 10,000                 | 0        |
| Disability Action Plan                                      | 10,000                 | 10,000                 | 0        |
| Bull Ring Tree Planting                                     | 7,500                  | 7,500                  | 0        |
| Cultural Heritage Awareness Training                        | 6,000                  | 6,000                  | 0        |
| Gender Equality Actions                                     | 1,000                  | 1,000                  | 0        |
| CERP Implementation Plan                                    | 5,000                  | 5,000                  | 0        |
| Child/family services and facilities review                 | 5,000                  | 5,000                  | 0        |
| Database of Photos of the Borough                           | 3,000                  | 3,000                  | 0        |
| <b>Total</b>  | <b>291,100</b>         | <b>291,100</b>         | <b>0</b> |

\*The forecasted allocation for the Marine Coastal Management Plan, as depicted above, is presented net of the secured grant funding (\$50,000). The grant funding secured relates to the vegetation study which has been identified as a sub project of the MCMP development work.



## 1.1.2. Cash Results

This section sets out the conversion of the comprehensive result (included in the Comprehensive Income Statement given under section 1.1) into a cash result (by excluding non-cash items, such as depreciation expense, and including cash items, such as transfers to/from cash reserves and capital expenditure) in order to ascertain unrestricted surplus funds available from the annual rates budget.

| Comprehensive Income Statement                           | Actual<br>2022-23 | Annual<br>Forecast<br>2023-24<br>Q2 | Annual<br>Forecast<br>2023-24<br>Q3 | Actual<br>YTD<br>2023-24 | Variance from<br>Q2 |               |
|--|-------------------|-------------------------------------|-------------------------------------|--------------------------|---------------------|---------------|
|  | \$'000            | \$'000                              | \$'000                              | \$'000                   | \$'000              | %             |
| <b>Surplus / (deficit) for the year</b>                  | <b>1,626</b>      | <b>648</b>                          | <b>645</b>                          | <b>2,598</b>             | <b>(3)</b>          | <b>(0.5%)</b> |
| <b>Removal of non cash transactions</b>                  |                   |                                     |                                     |                          |                     |               |
| Net gain on disposal of PPE and infrastructure           | (110)             | (35)                                | (35)                                | (91)                     | 0                   | 0.0%          |
| Depreciation   | 1,244             | 1,372                               | 1,372                               | 929                      | 0                   | 0.0%          |
| Reclassification of previous years's expenses            | 690               | 0                                   | 0                                   | 0                        | 0                   | 0.0%          |
| <b>Inclusion of other cash transactions</b>              |                   |                                     |                                     |                          |                     |               |
| Proceeds from asset sales                                | 3,504             | 75                                  | 75                                  | 92                       | 0                   | 0.0%          |
| Capital expenditure                                      | (4,006)           | (3,474)                             | (3,472)                             | (830)                    | 2                   | (0.1%)        |
| <b>Cash surplus / (deficit) from operations</b>          | <b>2,948</b>      | <b>(1,413)</b>                      | <b>(1,415)</b>                      | <b>2,698</b>             | <b>(1)</b>          | <b>0.1%</b>   |
| Transfer from reserves                                   | 939               | 938                                 | 988                                 | 0                        | 50                  | 5.3%          |
| Transfer to reserves ( <i>for future year spending</i> ) | (4,520)           | (269)                               | (318)                               | 0                        | (48)                | 17.9%         |
| <b>Adjusted cash surplus / (deficit) for the year</b>    | <b>(633)</b>      | <b>(745)</b>                        | <b>(744)</b>                        | <b>2,698</b>             | <b>1</b>            | <b>(0.1%)</b> |
| Accumulated cash surplus b/fwd from prior year           | 1,596             | 962                                 | 962                                 | 962                      | 0                   | 0.0%          |
| <b>Accumulated cash surplus</b>                          | <b>962</b>        | <b>217</b>                          | <b>218</b>                          | <b>3,660</b>             | <b>1</b>            | <b>0.4%</b>   |

### 1. Transfer from reserves and Transfer to reserves,

| Project  | Reserve<br>Transfer Type | Forecast<br>2023-24 Q2 | Forecast<br>2023-24 Q3 | Change |
|--|--------------------------|------------------------|------------------------|--------|
|  |                          | \$                     | \$                     | \$     |
| Motor Vehicles Renewal                             | Trf From                 | 88,288                 | 88,288                 | 0      |
| Toch H toilet renewal                              | Trf From                 | 180,000                | 180,000                | 0      |
| New Corporate System                               | Trf From                 | 78,345                 | 78,345                 | 0      |
| Queenscliffe Cultural Hub                          | Trf From                 | 60,392                 | 60,392                 | 0      |
| QMF Town Hall AV project                           | Trf From                 | 57,900                 | 57,900                 | 0      |
| Restoration and Upgrade of P1 Hut at PL Lighthouse | Trf From                 | 54,609                 | 54,609                 | 0      |
| Hesse Street Streetscape                           | Trf From                 | 50,000                 | 50,000                 | 0      |
| Murray Road land sale proceeds                     | Trf From                 | 50,000                 | 50,000                 | 0      |
| Tree management System                             | Trf From                 | 50,000                 | 50,000                 | 0      |
| Safety improvement work by DEECA at Narrows Beach  | Trf From                 | 40,000                 | 40,000                 | 0      |
| Bike Track - concept design                        | Trf From                 | 30,000                 | 30,000                 | 0      |
| Hesse Street link to boatramp                      | Trf From                 | 19,500                 | 19,500                 | 0      |
| Review of Council's Toilet Strategy                | Trf From                 | 10,000                 | 10,000                 | 0      |
| Marine Coastal Management Plan                     | Trf From                 | 60,000                 | 60,000                 | 0      |
| Victoria Park - Development of a Tree Management P | Trf From                 | 22,667                 | 22,667                 | 0      |
| Review of the Queenscliffe Planning Scheme         | Trf From                 | 20,000                 | 20,000                 | 0      |
| Energy Efficiency Audit and Education Program      | Trf From                 | 17,600                 | 17,600                 | 0      |

| Project                                  | Reserve Transfer Type | Forecast         | Forecast         | Change        |
|--|-----------------------|------------------|------------------|---------------|
|  |                       | 2023-24 Q2       | 2023-24 Q3       |               |
|  |                       | \$               | \$               | \$            |
| CERP Implementation Plan                 | Trf From              | 5,000            | 5,000            | 0             |
| Queenscliffe Neighbourhood House Solar   | Trf From              | 4,659            | 4,659            | 0             |
| Database of Photos of the Borough        | Trf From              | 3,000            | 3,000            | 0             |
| Gender Equality Actions                  | Trf From              | 1,000            | 1,000            | 0             |
| Public Waste Services                    | Trf From              | 35,460           | 84,614           | 49,154        |
| Kerbside Waste Services                  | Trf From              | 1,902            |                  | (1,902)       |
| <b>Sub total</b>                         |                       | <b>939,547</b>   | <b>987,574</b>   | <b>48,025</b> |
|  |                       |                  |                  |               |
| Murray Road Shared Path                  | Trf To                | (10,000)         | (10,000)         | 0             |
| Additional Cash Surplus (2023-24 Budget) | Trf To                | (259,438)        | (259,438)        | 0             |
| Kerbside Waste Services                  | Trf To                |                  | 48,026           | 48,206        |
| <b>Sub total</b>                         |                       | <b>(269,438)</b> | <b>(317,464)</b> | <b>48,026</b> |
| <b>Grand total</b>                       |                       | <b>670,109</b>   | <b>670,110</b>   | <b>(1)</b>    |

A summary of all projected reserve balances as at 30 June 2024 is provided in **Appendix A** of this report.

## 1.2. Balance Sheet

As shown in the table below, the projected value of the net assets of Council is \$182.7 million as of 30 June 2024. Cash and investments (including other financial assets) will be at \$9.5 million.

| Balance Sheet<br>As at 30 June                | Actual<br>2022-23 | Annual<br>Forecast<br>2023-24<br>Q2 | Annual<br>Forecast<br>2023-24<br>Q3 | Actual YTD<br>2023-24 | Variance from<br>Q2 |               |
|---|-------------------|-------------------------------------|-------------------------------------|-----------------------|---------------------|---------------|
|   | \$'000            | \$'000                              | \$'000                              | \$'000                | \$'000              | %             |
| <b>Assets</b>                                 |                   |                                     |                                     |                       |                     |               |
| <b>Current assets</b>                         |                   |                                     |                                     |                       |                     |               |
| Cash and cash equivalents                     | 3,568             | 7,055                               | 7,054                               | 2,161                 | (1)                 | (0.0%)        |
| Other financial assets                        | 7,593             | 2,500                               | 2,500                               | 9,780                 | 0                   | 0.0%          |
| Trade and other receivables                   | 230               | 300                                 | 300                                 | 2,244                 | 0                   | 0.0%          |
| Inventories                                   | 4                 | 4                                   | 4                                   | 4                     | 0                   | 0.0%          |
| Other assets                                  | 643               | 243                                 | 243                                 | 187                   | 0                   | 0.0%          |
| <b>Total current assets</b>                   | <b>12,037</b>     | <b>10,101</b>                       | <b>10,100</b>                       | <b>14,375</b>         | <b>(1)</b>          | <b>(0.0%)</b> |
| <b>Non-current assets</b>                     |                   |                                     |                                     |                       |                     |               |
| Investments in associates                     | 160               | 160                                 | 160                                 | 160                   | 0                   | 0.0%          |
| Other financial assets                        | 0                 | 0                                   | 0                                   | 1,058                 |                     |               |
| Property, infrastructure, plant and equipment | 172,562           | 174,621                             | 174,619                             | 172,742               | (2)                 | (0.0%)        |
| <b>Total non-current assets</b>               | <b>172,722</b>    | <b>174,782</b>                      | <b>174,787</b>                      | <b>173,961</b>        | <b>(2)</b>          | <b>(0.0%)</b> |
| <b>Total assets</b>                           | <b>184,759</b>    | <b>184,883</b>                      | <b>184,880</b>                      | <b>188,336</b>        | <b>(3)</b>          | <b>(0.0%)</b> |
| <b>Liabilities</b>                            |                   |                                     |                                     |                       |                     |               |
| <b>Current liabilities</b>                    |                   |                                     |                                     |                       |                     |               |
| Trade and other payables                      | 829               | 1,091                               | 1,092                               | 89                    | 0                   | 0.0%          |
| Trust funds and deposits                      | 20                | 50                                  | 50                                  | 351                   | 0                   | 0.0%          |

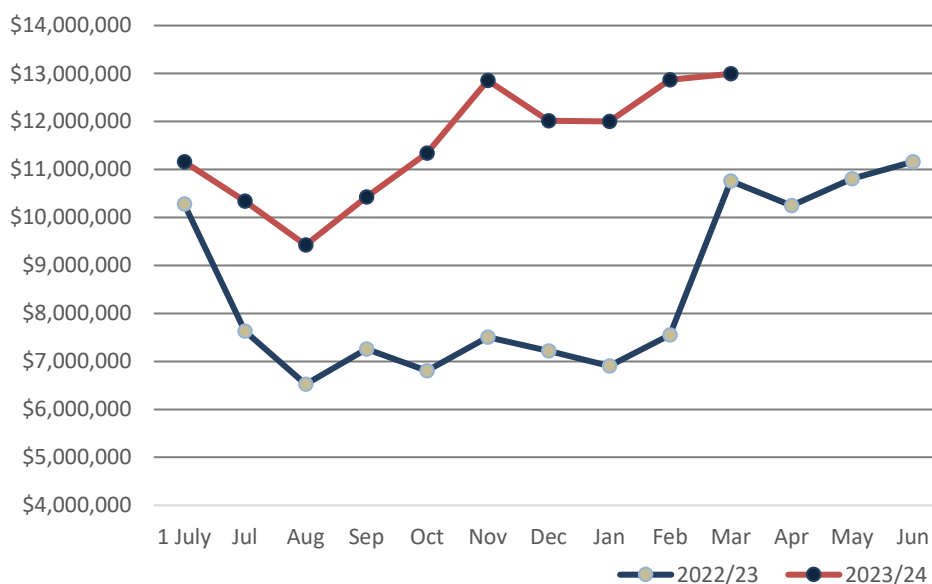
| Balance Sheet<br>As at 30 June       | Actual<br>2022-23 | Annual<br>Forecast<br>2023-24<br>Q2 | Annual<br>Forecast<br>2023-24<br>Q3 | Actual YTD<br>2023-24 | Variance from<br>Q2 |               |
|--------------------------------------|-------------------|-------------------------------------|-------------------------------------|-----------------------|---------------------|---------------|
|                                      | \$'000            | \$'000                              | \$'000                              | \$'000                | \$'000              | %             |
| Provisions                           | 935               | 959                                 | 959                                 | 881                   | 0                   | 0.0%          |
| Unearned income                      | 844               | 0                                   | 0                                   | 2,274                 | 0                   | 0.0%          |
| <b>Total current liabilities</b>     | <b>2,628</b>      | <b>2,100</b>                        | <b>2,101</b>                        | <b>3,595</b>          | <b>0</b>            | <b>0.0%</b>   |
| <b>Non-current liabilities</b>       |                   |                                     |                                     |                       |                     |               |
| Provisions                           | 98                | 100                                 | 100                                 | 109                   | 0                   | 0.0%          |
| <b>Total non-current liabilities</b> | <b>98</b>         | <b>100</b>                          | <b>100</b>                          | <b>109</b>            | <b>0</b>            | <b>0.0%</b>   |
| <b>Total liabilities</b>             | <b>2,725</b>      | <b>2,200</b>                        | <b>2,201</b>                        | <b>3,704</b>          | <b>0</b>            | <b>0.0%</b>   |
| <b>Net assets</b>                    | <b>182,034</b>    | <b>182,682</b>                      | <b>182,679</b>                      | <b>184,632</b>        | <b>(3)</b>          | <b>(0.0%)</b> |
| <b>Equity</b>                        |                   |                                     |                                     |                       |                     |               |
| Accumulated surplus                  | 99,424            | 100,741                             | 100,740                             | 102,022               | (1)                 | (0.0%)        |
| Revaluation Reserve                  | 74,278            | 74,278                              | 74,278                              | 74,278                | 0                   | 0.0%          |
| Other reserves                       | 8,332             | 7,664                               | 7,662                               | 8,332                 | (2)                 | (0.0%)        |
| <b>Total equity</b>                  | <b>182,034</b>    | <b>182,683</b>                      | <b>182,679</b>                      | <b>184,632</b>        | <b>(3)</b>          | <b>(0.0%)</b> |

### Cash & Cash Equivalents and Other Financial Assets

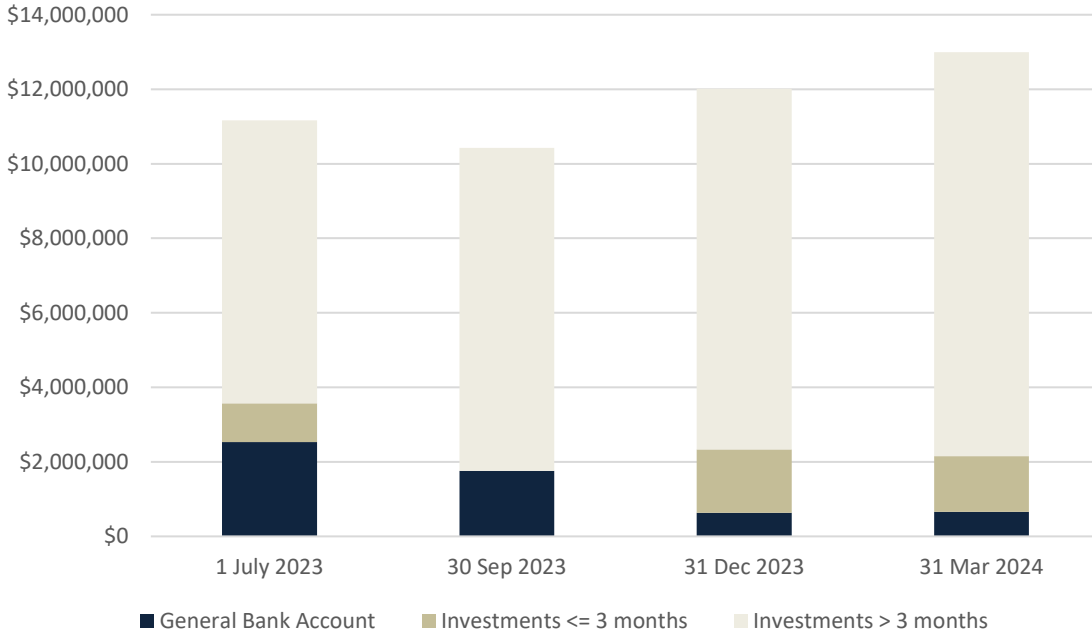
Council's cash and cash equivalents includes short term investments with maturities of less than 90 days, other financial assets represent investments with maturities more than three months.

Council's total cash and investments as at 31 March 2024 is \$12.9 million.

#### Cash balance - prior year comparison



**Cash and investments**

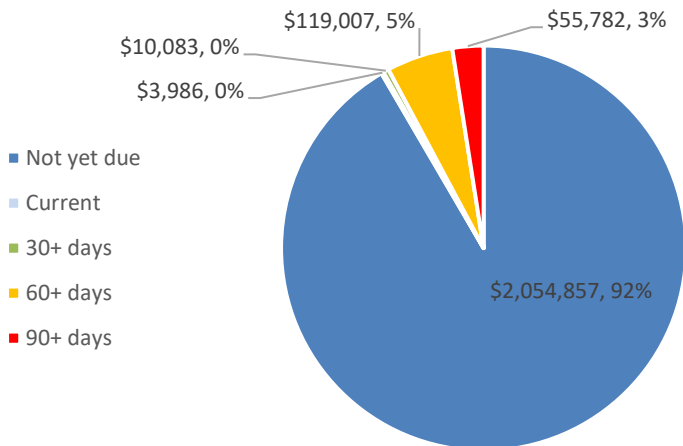


**Trade and other receivables**

Rates are required to be paid by instalments in September, November, February and May each year. All rates are deemed collectible, with no provision for doubtful debts.

Other debtors, including unpaid infringements, government grants, property leases, aged services and tourist park fees, are followed up by finance in conjunction with the relevant program area.

**Trade and other receivables ageing analysis.**



Trade and other receivables stand at **\$2.2 million at 31 March 2024** of which a 92% is represented by outstanding receivables not yet due.

### 1.3. Statement of Changes in Equity

Other reserves held by Council include annual asset renewal, carry forwards, waste management, defined benefits superannuation fund liability and unallocated cash surpluses from previous years. Funds are generally transferred out of reserves following the completion of carry forward projects and/or by Council resolution to allocate funds to projects.

| Statement of Changes in Equity                         | Actual<br>2022-23 | Annual<br>Forecast<br>2023-24<br>Q2 | Annual<br>Forecast<br>2023-24<br>Q3 | Actual<br>YTD<br>2023-24 | Variance from<br>Q2 |               |
|--|-------------------|-------------------------------------|-------------------------------------|--------------------------|---------------------|---------------|
|  | \$'000            | \$'000                              | \$'000                              | \$'000                   | \$'000              | %             |
| <b>Accumulated Surplus</b>                             |                   |                                     |                                     |                          |                     |               |
| <b>Opening Balance 1st July</b>                        | <b>101,376</b>    | <b>99,421</b>                       | <b>99,421</b>                       | <b>99,421</b>            | <b>0</b>            | <b>0.0%</b>   |
| Adjustment on change in accounting policy              |                   |                                     |                                     |                          |                     |               |
| Surplus / (deficit) for the year                       | 1,626             | 648                                 | 645                                 | 2,598                    | (3)                 | (0.5%)        |
| Transfer to other reserves                             | (4,520)           | (269)                               | (318)                               | 0                        | (48)                | 17.9%         |
| Transfer from other reserves                           | 939               | 940                                 | 988                                 | 0                        | 48                  | 5.1%          |
| <b>Closing Balance 30th June - Accumulated Surplus</b> | <b>99,421</b>     | <b>100,739</b>                      | <b>100,736</b>                      | <b>102,018</b>           | <b>(3)</b>          | <b>(0.0%)</b> |
| <b>Revaluation Reserve</b>                             |                   |                                     |                                     |                          |                     |               |
| <b>Opening Balance 1st July</b>                        | <b>76,675</b>     | <b>74,278</b>                       | <b>74,278</b>                       | <b>74,278</b>            | <b>0</b>            | <b>0.0%</b>   |
| Net asset revaluation increment/(decrement)            | (2,397)           | 0                                   | 0                                   | 0                        | 0                   | 0.0%          |
| <b>Closing Balance 30th June - Revaluation Reserve</b> | <b>74,278</b>     | <b>74,278</b>                       | <b>74,278</b>                       | <b>74,278</b>            | <b>0</b>            | <b>0.0%</b>   |
| <b>Other Reserves</b>                                  |                   |                                     |                                     |                          |                     |               |
| <b>Opening Balance 1st July</b>                        | <b>4,754</b>      | <b>8,335</b>                        | <b>8,335</b>                        | <b>8,335</b>             | <b>0</b>            | <b>0.0%</b>   |
| Transfer to other reserves                             | 4,520             | 269                                 | 318                                 | 0                        | 48                  | 17.9%         |
| Transfer from other reserves                           | (939)             | (940)                               | (988)                               | 0                        | (48)                | 5.1%          |
| <b>Closing Balance 30th June - Other Reserves</b>      | <b>8,335</b>      | <b>7,665</b>                        | <b>7,665</b>                        | <b>8,335</b>             | <b>0</b>            | <b>0.0%</b>   |
| <b>Total Equity</b>                                    |                   |                                     |                                     |                          |                     |               |
| <b>Opening Balance 1st July</b>                        | <b>182,805</b>    | <b>182,034</b>                      | <b>182,034</b>                      | <b>182,034</b>           | <b>0</b>            | <b>0.0%</b>   |
| Surplus / (deficit) for the year                       | 1,626             | 648                                 | 645                                 | 2,598                    | (3)                 | (0.5%)        |
| Net asset revaluation increment/(decrement)            | (2,397)           | 0                                   | 0                                   | 0                        | 0                   | 0.0%          |
| <b>Closing Balance 30th June - Total Equity</b>        | <b>182,034</b>    | <b>182,683</b>                      | <b>182,679</b>                      | <b>184,632</b>           | <b>(4)</b>          | <b>(0.0%)</b> |

## 1.4. Statement of Cash Flows

A cash flow statement summarises the amount of cash and cash equivalents entering and leaving Council accounts. Due to the timing of the cash payments and cash receipts, the values shown in the cash flow statement may not equate to the value of similar items in other financial statements.

| Statement of Cash Flows   | Actual<br>2022-23 | Annual<br>Forecast<br>2023-24<br>Q2 | Annual<br>Forecast<br>2023-24<br>Q3 | Actual<br>YTD<br>2023-24 | Variance from<br>Q2 |               |
|---|-------------------|-------------------------------------|-------------------------------------|--------------------------|---------------------|---------------|
|   | \$'000            | \$'000                              | \$'000                              | \$'000                   | \$'000              | %             |
| <b>Cash flows from operating activities</b>                         |                   |                                     |                                     |                          |                     |               |
| <b>Receipts</b>   |                   |                                     |                                     |                          |                     |               |
| Rates and charges   | 8,203             | 8,365                               | 8,365                               | 6,367                    | 0                   | 0.0%          |
| Statutory fees and fines  | 201               | 114                                 | 114                                 | 103                      | 0                   | 0.0%          |
| User fees   | 2,035             | 1,930                               | 1,930                               | 1,719                    | 0                   | 0.0%          |
| Grants - Operating  | 1,457             | 1,603                               | 1,603                               | 1,029                    | 0                   | 0.0%          |
| Grants - Capital  | 1,686             | 1,116                               | 1,116                               | 645                      | 0                   | 0.0%          |
| Interest received   | 132               | 466                                 | 466                                 | 347                      | 0                   | 0.0%          |
| Trust funds and deposits taken                                      | 12                | 0                                   | 0                                   | 0                        | 0                   | 0.0%          |
| Other receipts  | 263               | 443                                 | 443                                 | 617                      | 0                   | 0.0%          |
| Net GST refund / (payment)  | 109               | 38                                  | 38                                  | 62                       | 0                   | 0.0%          |
| <b>Total receipts</b>   | <b>14,098</b>     | <b>14,075</b>                       | <b>14,075</b>                       | <b>10,888</b>            | <b>0</b>            | <b>0.0%</b>   |
| <b>Payments</b>   |                   |                                     |                                     |                          |                     |               |
| Employee costs  | (4,883)           | (5,503)                             | (5,503)                             | (4,051)                  | 0                   | 0.0%          |
| Materials and services  | (5,786)           | (6,404)                             | (6,406)                             | (3,880)                  | (2)                 | 0.0%          |
| Short-term, low value and variable lease payments                   | (13)              | (1)                                 | (1)                                 | (1)                      | 0                   | 0.0%          |
| Trust funds and deposits repaid                                     | (43)              | 0                                   | 0                                   | 0                        | 0                   | 0.0%          |
| Other payments  | (473)             | (616)                               | (617)                               | 4                        | (1)                 | 0.2%          |
| <b>Total payments</b>   | <b>(11,198)</b>   | <b>(12,524)</b>                     | <b>(12,527)</b>                     | <b>(7,927)</b>           | <b>(3)</b>          | <b>0.0%</b>   |
| <b>Net cash provided by operating activities</b>                    | <b>2,900</b>      | <b>1,551</b>                        | <b>1,548</b>                        | <b>2,961</b>             | <b>(3)</b>          | <b>(0.2%)</b> |
| <b>Cash flows from investing activities</b>                         |                   |                                     |                                     |                          |                     |               |
| Payments for property, infrastructure, plant and equipment          | (5,527)           | (3,233)                             | (3,231)                             | (1,215)                  | 2                   | (0.1%)        |
| Proceeds from sale of property, infrastructure, plant and equipment | 3,504             | 75                                  | 75                                  | 92                       | 0                   | 0.0%          |
| Net proceeds from movement of investments                           | (1,087)           | 5,093                               | 5,093                               | (3,245)                  | 0                   | 0.0%          |
| <b>Net cash provided by / (used in) investing activities</b>        | <b>(3,110)</b>    | <b>1,935</b>                        | <b>1,937</b>                        | <b>(4,369)</b>           | <b>2</b>            | <b>0.1%</b>   |
| <b>Cash flows from financing activities</b>                         |                   |                                     |                                     |                          |                     |               |
| <b>Net cash provided by / (used in) financing activities</b>        | <b>0</b>          | <b>0</b>                            | <b>0</b>                            | <b>0</b>                 | <b>0</b>            | <b>0.0%</b>   |
| <b>Net increase / (decrease) in cash and cash equivalents</b>       | <b>(210)</b>      | <b>3,486</b>                        | <b>3,485</b>                        | <b>(1,408)</b>           | <b>(1)</b>          | <b>(0.0%)</b> |
| Cash and cash equivalents at the beginning of the financial year    | 3,778             | 3,568                               | 3,568                               | 3,568                    | 0                   | 0.0%          |
| <b>Cash and cash equivalents at the end of the financial year</b>   | <b>3,568</b>      | <b>7,055</b>                        | <b>7,054</b>                        | <b>2,161</b>             | <b>(1)</b>          | <b>(0.0%)</b> |

## 1.5. Statement of Capital Works

The Statement of Capital Works presents Council's performance against its capital work program during the reporting period.

### 1.5.1. Capital Project Wise

| Statement of Capital Works                                       | Annual Forecast 2023-24 Q2 | Annual Forecast 2023-24 Q3 | Actual YTD 2023-24 | Variance from Q2 |             |
|--|----------------------------|----------------------------|--------------------|------------------|-------------|
|  | \$'000                     | \$'000                     | \$'000             | \$'000           | %           |
| <b>Priority capital works</b>                                    |                            |                            |                    |                  |             |
| Queenscliffe cultural hub  | 60                         | 60                         | 84                 | 0                | 0.0%        |
| PL lighthouse reserve upgrade - P1 huts                          | 55                         | 55                         | 35                 | 0                | 0.0%        |
| PL lighthouse reserve upgrade - P1 huts                          | 0                          | 0                          | 0                  | 0                | 0.0%        |
| ICT transformation project                                       | 225                        | 225                        | 106                | 0                | 0.0%        |
| Toch H toilet renewal - design and construct                     | 180                        | 180                        | 4                  | 0                | 0.0%        |
| Electronic vehicle charging stations                             | 38                         | 38                         | 39                 | 0                | 0.0%        |
| New tree management system                                       | 50                         | 50                         | 0                  | 0                | 0.0%        |
| Local roads and community infrastructure program - phase 2 and 3 | 66                         | 66                         | 66                 | 0                | 0.0%        |
| Princess park kiosk toilet renewal - design                      | 0                          | 0                          | 0                  | 0                | 0.0%        |
| Town Hall AV upgrade project (QMF)                               | 58                         | 58                         | 0                  | 0                | 0.0%        |
| Hesse street streetscape   | 80                         | 80                         | 6                  | 0                | 0.0%        |
| Hesse Street link to boat ramp                                   | 50                         | 50                         | 5                  | 0                | 0.0%        |
| Safety improvement work by DEECA at Narrows Beach                | 150                        | 150                        | 0                  | 0                | 0.0%        |
| New bike track - concept design                                  | 30                         | 30                         | 0                  | 0                | 0.0%        |
| Upgrade of Town Hall - heating and cooling                       | 180                        | 180                        | 0                  | 0                | 0.0%        |
| Murray Road Shared Path  | 40                         | 40                         | 5                  | 0                | 0.0%        |
| Point Lonsdale Maritime & Defence Precinct                       | 1,000                      | 1,000                      | 55                 | 0                | 0.0%        |
| Queenscliffe Rec Reserve - lighting upgrade and cr               | 160                        | 160                        | 0                  | 0                | 0.0%        |
| Bike Racks (ATS)   | 10                         | 10                         | 0                  | 0                | 0.0%        |
| Boat ramp upgrade project  | 0                          | 0                          | 4                  | 0                | 0.0%        |
| Office layout improvements                                       | 0                          | 0                          | 3                  | 0                | 0.0%        |
| <b>Total priority capital works</b>                              | <b>2,432</b>               | <b>2,432</b>               | <b>413</b>         | <b>0</b>         | <b>0.0%</b> |
| <b>Annual asset renewal program</b>                              | <b>915</b>                 | <b>915</b>                 | <b>417</b>         | <b>0</b>         | <b>0.0%</b> |
| <b>Staff cost capitalised</b>                                    | <b>125</b>                 | <b>125</b>                 | <b>0</b>           | <b>0</b>         | <b>0.0%</b> |
| <b>Total capital works expenditure</b>                           | <b>3,472</b>               | <b>3,472</b>               | <b>830</b>         | <b>0</b>         | <b>0.0%</b> |
| <b>Represented by:</b>   |                            |                            |                    |                  |             |
| New asset expenditure  | 596                        | 596                        | 118                | 0                | 0.0%        |
| Asset renewal expenditure  | 1,812                      | 1,812                      | 466                | 0                | 0.0%        |
| Asset upgrade expenditure  | 1,065                      | 1,065                      | 246                | 0                | 0.0%        |
| <b>Total capital works expenditure</b>                           | <b>3,472</b>               | <b>3,472</b>               | <b>830</b>         | <b>0</b>         | <b>0.0%</b> |

Year-to-date, the Council has utilised \$830,000 out of the forecasted capital expenditure of \$3.5 million for the year. While the forecast remains unchanged, it appears highly improbable that the Council's total capital expenditure will align closely with the projected figure for the year. A significant factor contributing to this underspend is the Point Lonsdale Maritime & Defence Precinct development project, which has only utilised \$55,000 of its allocated budget of \$1,000,000 for the year.

Any unspent funds remaining at year-end will be transferred to subsequent years through specific reserve accounts designated for priority capital projects, as well as through the asset renewal reserve for annual asset renewal allocations.

### 1.5.2. Asset Type Wise

| Statement of Capital Works                     | Annual Forecast 2023-24 Q2<br>\$'000 | Annual Forecast 2023-24 Q3<br>\$'000 | Actual YTD 2023-24<br>\$'000 | Variance from Q2 |             |
|--|--------------------------------------|--------------------------------------|------------------------------|------------------|-------------|
|  |                                      |                                      |                              | \$'000           | %           |
| <b>Property</b>                                |                                      |                                      |                              |                  |             |
| Buildings                                      | 471                                  | 471                                  | 182                          | 0                | 0.0%        |
| Building improvements                          | 238                                  | 238                                  | 0                            | 0                | 0.0%        |
| Leasehold improvements                         | 0                                    | 0                                    | 0                            | 0                | 0.0%        |
| Heritage buildings                             | 0                                    | 0                                    | 6                            | 0                | 0.0%        |
| <b>Total buildings</b>                         | <b>709</b>                           | <b>709</b>                           | <b>188</b>                   | <b>0</b>         | <b>0.0%</b> |
| <b>Total property</b>                          | <b>709</b>                           | <b>709</b>                           | <b>188</b>                   | <b>0</b>         | <b>0.0%</b> |
| <b>Plant and equipment</b>                     |                                      |                                      |                              |                  |             |
| Plant, machinery and equipment                 | 299                                  | 299                                  | 88                           | 0                | 0.0%        |
| Fixtures, fittings and furniture               | 191                                  | 191                                  | 74                           | 0                | 0.0%        |
| Computers and telecommunications               | 321                                  | 321                                  | 106                          | 0                | 0.0%        |
| Heritage plant and equipment                   | 0                                    | 0                                    | 0                            | 0                | 0.0%        |
| Library books                                  | 0                                    | 0                                    | 0                            | 0                | 0.0%        |
| <b>Total plant and equipment</b>               | <b>811</b>                           | <b>811</b>                           | <b>268</b>                   | <b>0</b>         | <b>0.0%</b> |
| <b>Infrastructure</b>                          |                                      |                                      |                              |                  |             |
| Roads  | 139                                  | 139                                  | 139                          | 0                | 0.0%        |
| Footpaths and cycleways                        | 181                                  | 181                                  | 90                           | 0                | 0.0%        |
| Drainage                                       | 90                                   | 90                                   | 33                           | 0                | 0.0%        |
| Recreational, leisure and community facilities | 5                                    | 5                                    | 5                            | 0                | 0.0%        |
| Waste management                               | 0                                    | 0                                    | 0                            | 0                | 0.0%        |
| Parks, open space and streetscapes             | 1,175                                | 1,175                                | 64                           | 0                | 0.0%        |
| Off street car parks                           | 0                                    | 0                                    | 0                            | 0                | 0.0%        |
| Other infrastructure                           | 198                                  | 198                                  | 43                           | 0                | 0.0%        |
| Other Assets                                   | 165                                  | 165                                  | 0                            | 0                | 0.0%        |
| <b>Total infrastructure</b>                    | <b>1,953</b>                         | <b>1,953</b>                         | <b>373</b>                   | <b>0</b>         | <b>0.0%</b> |
| <b>Total capital works expenditure</b>         | <b>3,472</b>                         | <b>3,472</b>                         | <b>830</b>                   | <b>0</b>         | <b>0.0%</b> |
| <b>Represented by:</b>                         |                                      |                                      |                              |                  |             |
| New asset expenditure                          | 596                                  | 596                                  | 118                          | 0                | 0.0%        |
| Asset renewal expenditure                      | 1,812                                | 1,812                                | 466                          | 0                | 0.0%        |
| Asset upgrade expenditure                      | 1,065                                | 1,065                                | 246                          | 0                | 0.0%        |
| <b>Total capital works expenditure</b>         | <b>3,472</b>                         | <b>3,472</b>                         | <b>830</b>                   | <b>0</b>         | <b>0.0%</b> |



## 2. Local Government Performance Reporting Framework (LGPRF)

The Victorian government established the Local Government Performance Reporting Framework (LGPRF) in 2014, to ensure that all councils are measuring and reporting on their performance in a consistent way across the sector.

In addition to the performance information required to be disclosed in the performance statement, councils are also required to disclose other performance-related information in the report of operations in the annual report, including:

- a statement that reviews the performance of Council against the Council Plan, including results achieved in relation to the strategic indicators included in the Council Plan;
- a governance and management checklist; and
- other prescribed indicators and measures of service performance, results achieved and an explanation of material variances.

### 2.1. Performance of Council against the Council Plan

Council delivers services and initiatives under 21 major service categories. Each service contributes to the achievement of strategic objectives set out under each portfolio.

This section provides a brief overview of how each area has been funded in the 2023-24 financial year.

| Strategic Objective                                      | Annual Forecast<br>2023-24<br>Q1 | Annual Forecast<br>2023-24<br>Q2 | Actual YTD<br>2023-24 |
|--|----------------------------------|----------------------------------|-----------------------|
|  | \$'000                           | \$'000                           | \$'000                |
| <b>Portfolio 1 Health and wellbeing</b>                  |                                  |                                  |                       |
| Direct funding   | 868                              | 868                              | 834                   |
| Expenses   | (2,089)                          | (2,089)                          | (1,491)               |
| <b>Surplus/ (deficit)</b>                                | <b>(1,221)</b>                   | <b>(1,221)</b>                   | <b>(656)</b>          |
| <b>Portfolio 2 Environment</b>                           |                                  |                                  |                       |
| Direct funding   | 1,489                            | 1,489                            | 1,141                 |
| Expenses   | (2,252)                          | (2,252)                          | (1,303)               |
| <b>Surplus/ (deficit)</b>                                | <b>(763)</b>                     | <b>(763)</b>                     | <b>(162)</b>          |
| <b>Portfolio 3 Local economy</b>                         |                                  |                                  |                       |
| Direct funding   | 1,862                            | 1,862                            | 1,591                 |
| Expenses   | (1,395)                          | (1,395)                          | (944)                 |
| <b>Surplus/ (deficit)</b>                                | <b>468</b>                       | <b>468</b>                       | <b>647</b>            |
| <b>Portfolio 4 Heritage, planning and infrastructure</b> |                                  |                                  |                       |
| Direct funding   | 995                              | 995                              | 475                   |
| Expenses   | (3,444)                          | (3,444)                          | (1,645)               |
| <b>Surplus/ (deficit)</b>                                | <b>(2,449)</b>                   | <b>(2,449)</b>                   | <b>(1,170)</b>        |
| <b>Portfolio 5 Governance and finance</b>                |                                  |                                  |                       |
| Direct funding   | 647                              | 647                              | 725                   |
| Expenses   | (3,493)                          | (3,493)                          | (2,460)               |
| <b>Surplus/ (deficit)</b>                                | <b>(2,847)</b>                   | <b>(2,847)</b>                   | <b>(1,736)</b>        |
| <b>Total - surplus/ (deficit)</b>                        | <b>(6,811)</b>                   | <b>(6,811)</b>                   | <b>(3,077)</b>        |
| <b>Expenses/other income added in:</b>                   |                                  |                                  |                       |
| Depreciation   | (1,372)                          | (1,372)                          | (929)                 |

| Strategic Objective  | Annual Forecast | Annual Forecast | Actual YTD     |
|--|-----------------|-----------------|----------------|
|  | 2023-24         | 2023-24         | 2023-24        |
|  | Q1              | Q2              |                |
|  | \$'000          | \$'000          | \$'000         |
| Net gain/losses on disposal of property, infrastructure, plant and equipment | 35              | 35              | 91             |
| <b>Surplus/(deficit) before funding sources</b>                              | <b>(8,148)</b>  | <b>(8,148)</b>  | <b>(3,915)</b> |
| <b>Funding sources added in:</b>   |                 |                 |                |
| Rates revenue  | 7,252           | 7,252           | 5,449          |
| Financial Assistance Grant - General Purpose                                 | 29              | 29              | 21             |
| Capital grants   | 1,513           | 1,513           | 1,043          |
| <b>Total funding sources</b>   | <b>8,794</b>    | <b>8,794</b>    | <b>6,513</b>   |
| <b>Operating surplus/(deficit) for the year</b>                              | <b>648</b>      | <b>645</b>      | <b>2,598</b>   |

Please note that the Surplus/(Deficit) figures for each area below reflect the net direct costs of delivering services, after accounting for any direct finding (**D/funding**) such as specific income, fees, grants, and other financial inflows except for the tourist park operations. The overall deficit is funded by income from rates and financial assistance grant as stated in the previous table.

### Portfolio 1: Health and wellbeing.

To support community wellbeing and encourage an active lifestyle. The key service objectives for each program area are described below.

| Service area                            | Key service objective/s  |                          | Annual Forecast | Annual Forecast | Actual YTD   | Variance from Q2 |             |
|---|--|--------------------------|-----------------|-----------------|--------------|------------------|-------------|
|   |  |                          | 2023-24         | 2023-24         | 2023-24      | \$'000           | %           |
|   |  |                          | Q2              | Q3              |              |                  |             |
|   |  |                          | \$'000          | \$'000          | \$'000       | \$'000           | %           |
| Aged Services                           | The Aged Services program provides care and assistance to older residents and those requiring respite so that their homes remain their safe haven.   | D/funding                | 623             | 623             | 612          | 0                | 0.0%        |
|   |  | Exp                      | (773)           | (773)           | (533)        | 0                | 0.0%        |
|   |  | <b>Surplus/(deficit)</b> | <b>(150)</b>    | <b>(150)</b>    | <b>79</b>    | <b>0</b>         | <b>0.0%</b> |
| Recreation, Arts, Culture and Community | The Recreation, Arts, Culture and Community program promotes community wellbeing by supporting people and communities to be involved, healthy and active.  | D/funding                | 0               | 0               | 0            | 0                | 0.0%        |
|   |  | Exp                      | (61)            | (61)            | (53)         | 0                | 0.0%        |
|   |  | <b>Surplus/(deficit)</b> | <b>(61)</b>     | <b>(61)</b>     | <b>(53)</b>  | <b>0</b>         | <b>0.0%</b> |
| Community Events                        | The Community Events program promotes community wellbeing, celebrates the significance of the Borough and stimulates the local economy through conducting events directly or facilitating, supporting and administering a range of recreation, arts and cultural events planned and implemented by community organisations or commercial businesses. | D/funding                | 27              | 27              | 27           | 0                | 0.0%        |
|   |  | Exp                      | (321)           | (321)           | (207)        | 0                | 0.0%        |
|   |  | <b>Surplus/(deficit)</b> | <b>(294)</b>    | <b>(294)</b>    | <b>(180)</b> | <b>0</b>         | <b>0.0%</b> |
| Maternal and Child Health (MCH)         | The Maternal and Child Health program (MCH) plays a key role in supporting and monitoring the health and wellbeing of local families with children from birth to school age.   | D/funding                | 79              | 79              | 53           | 0                | 0.0%        |
|   |  | Exp                      | (79)            | (79)            | (53)         | 0                | 0.0%        |
|   |  | <b>Surplus/(deficit)</b> | <b>0</b>        | <b>0</b>        | <b>0</b>     | <b>0</b>         | <b>0.0%</b> |
| Environmental Health                    | The Environmental Health program monitors and maintains a safe environment for public health and wellbeing.  | D/funding                | 69              | 69              | 73           | 0                | 0.0%        |
|   |  | Exp                      | (201)           | (201)           | (123)        | 0                | 0.0%        |
|   |  | <b>Surplus/(deficit)</b> | <b>(133)</b>    | <b>(133)</b>    | <b>(50)</b>  | <b>0</b>         | <b>0.0%</b> |
|   |  | D/funding                | 70              | 70              | 69           | 0                | 0.0%        |

| Service area                   | Key service objective/s  |                           | Annual Forecast 2023-24 | Annual Forecast 2023-24 | Actual YTD 2023-24 | Variance from Q2 |             |
|--------------------------------|--|---------------------------|-------------------------|-------------------------|--------------------|------------------|-------------|
|                                |  |                           | Q2                      | Q3                      |                    | \$'000           | %           |
|                                |  |                           | \$'000                  | \$'000                  | \$'000             | \$'000           | %           |
| Local Laws, Safety and Amenity | The Local Laws, Safety and Amenity program promotes community wellbeing and safety in various settings and through monitoring public behaviour consistent with Council's Local Laws. | Exp                       | (392)                   | (392)                   | (284)              | 0                | 0.0%        |
|                                |  | <b>Surplus/ (deficit)</b> | <b>(323)</b>            | <b>(323)</b>            | <b>(215)</b>       | <b>0</b>         | <b>0.0%</b> |
| Library                        | The Library program promotes community wellbeing by encouraging active participation and life-long learning opportunities in a safe, inclusive setting.                              | D/funding                 | 0                       | 0                       | 0                  | 0                | 0.0%        |
|                                |  | Exp                       | (261)                   | (261)                   | (238)              | 0                | 0.0%        |
|                                |  | <b>Surplus/ (deficit)</b> | <b>(261)</b>            | <b>(261)</b>            | <b>(238)</b>       | <b>0</b>         | <b>0.0%</b> |
| <b>TOTAL</b>                   | <b>Income</b>  |                           | <b>868</b>              | <b>868</b>              | <b>834</b>         | <b>0</b>         | <b>0.0%</b> |
|                                | <b>Expenditure</b>   |                           | <b>(2,089)</b>          | <b>(2,089)</b>          | <b>(1,491)</b>     | <b>0</b>         | <b>0.0%</b> |
|                                | <b>Surplus/ (deficit)</b>  |                           | <b>(1,221)</b>          | <b>(1,221)</b>          | <b>(656)</b>       | <b>0</b>         | <b>0.0%</b> |

## Portfolio 2: Environment.

To protect our environment and address climate change issues. The key service objectives for each program area are described below.

| Service area                   | Key service objective/s   |                           | Annual Forecast 2023-24 | Annual Forecast 2023-24 | Actual YTD 2023-24 | Variance from Q2 |             |
|--------------------------------|---|---------------------------|-------------------------|-------------------------|--------------------|------------------|-------------|
|                                |   |                           | Q2                      | Q3                      |                    | \$'000           | %           |
|                                |   |                           | \$'000                  | \$'000                  | \$'000             | \$'000           | %           |
| Environmental Sustainability   | The Environmental Sustainability program sees the Borough playing its part in protecting the natural environment for future generations.  | D/funding                 | 19                      | 19                      | 12                 | 0                | 0.0%        |
|                                |   | Exp                       | (277)                   | (277)                   | (160)              | 0                | 0.0%        |
|                                |   | <b>Surplus/ (deficit)</b> | <b>(258)</b>            | <b>(258)</b>            | <b>(148)</b>       | <b>0</b>         | <b>0.0%</b> |
| Coastal Protection             | The Coastal Protection program seeks to preserve and enhance the Borough's globally significant, highly-valued coast as an iconic environmental asset for current and future generations.   | D/funding                 | 194                     | 194                     | 162                | 0                | 0.0%        |
|                                |   | Exp                       | (662)                   | (662)                   | (460)              | 0                | 0.0%        |
|                                |   | <b>Surplus/ (deficit)</b> | <b>(468)</b>            | <b>(468)</b>            | <b>(298)</b>       | <b>0</b>         | <b>0.0%</b> |
| Waste Management and Recycling | The Waste Management and Recycling program seeks to promote local action in order to protect the environment for future generations. Note full cost recovery of waste management, including recycling, is achieved via application of waste charges to ratepayers in accordance with Council's Rating Strategy. | D/funding                 | 1,276                   | 1,276                   | 967                | 0                | 0.0%        |
|                                |   | Exp                       | (1,313)                 | (1,313)                 | (683)              | 0                | 0.0%        |
|                                |   | <b>Surplus/ (deficit)</b> | <b>(37)</b>             | <b>(37)</b>             | <b>284</b>         | <b>0</b>         | <b>0.0%</b> |
| <b>TOTAL</b>                   | <b>Income</b>   |                           | <b>1,489</b>            | <b>1,489</b>            | <b>1,141</b>       | <b>0</b>         | <b>0.0%</b> |
|                                | <b>Expenditure</b>  |                           | <b>(2,252)</b>          | <b>(2,252)</b>          | <b>(1,303)</b>     | <b>0</b>         | <b>0.0%</b> |
|                                | <b>Surplus/ (deficit)</b>   |                           | <b>(763)</b>            | <b>(763)</b>            | <b>(162)</b>       | <b>0</b>         | <b>0.0%</b> |

## Portfolio 3: Local economy.

To support a prosperous and diverse local economy. The key service objectives for each program area are described below.

| Key service objective/s  |                           | Annual Forecast 2023-24 | Annual Forecast 2023-24 | Actual YTD 2023-24 | Variance from Q2 |             |
|--|---------------------------|-------------------------|-------------------------|--------------------|------------------|-------------|
|  |                           | Q2                      | Q3                      |                    | \$'000           | %           |
|  |                           | \$'000                  | \$'000                  | \$'000             |                  |             |
| The Tourist Parks and Boat Ramp Services program ensures the Borough remains a special place for visitors while increasing tourism's contribution to the local economy.  | D/funding                 | 1,778                   | 1,778                   | 1,579              | 0                | 0.0%        |
|  | Exp                       | (971)                   | (971)                   | (663)              | 0                | 0.0%        |
|  | <b>Surplus/ (deficit)</b> | <b>807</b>              | <b>807</b>              | <b>916</b>         | <b>0</b>         | <b>0.0%</b> |
| The Visitor Information Centre program promotes the Borough as a special place for visitors, and supports local tourism and related businesses with dissemination of information to build a diverse and vibrant local economy. | D/funding                 | 85                      | 85                      | 12                 | 0                | 0.0%        |
|  | Exp                       | (316)                   | (316)                   | (151)              | 0                | 0.0%        |
|  | <b>Surplus/ (deficit)</b> | <b>(231)</b>            | <b>(231)</b>            | <b>(139)</b>       | <b>0</b>         | <b>0.0%</b> |
| The Tourism and Economic Development program seeks to build on the Borough's unique heritage, rich culture and significant natural environment to strengthen the diversity and vibrancy of the local economy.                  | D/funding                 | 0                       | 0                       | 0                  | 0                | 0.0%        |
|  | Exp                       | (108)                   | (108)                   | (130)              | 0                | 0.0%        |
|  | <b>Surplus/ (deficit)</b> | <b>(108)</b>            | <b>(108)</b>            | <b>(130)</b>       | <b>0</b>         | <b>0.0%</b> |
| <b>Income</b>  |                           | <b>1,862</b>            | <b>1,862</b>            | <b>1,591</b>       | <b>0</b>         | <b>0.0%</b> |
| <b>Expenditure</b>   |                           | <b>(1,395)</b>          | <b>(1,395)</b>          | <b>(944)</b>       | <b>0</b>         | <b>0.0%</b> |
| <b>Surplus/ (deficit)</b>  |                           | <b>468</b>              | <b>468</b>              | <b>647</b>         | <b>0</b>         | <b>0.0%</b> |

#### Portfolio 4: Heritage, planning and infrastructure.

To protect our distinctive coastal, cultural and built environment, and provide sustainable, suitable infrastructure. The key service objectives for each program area are described below.

| Service area                                     | Key service objective/s   |                           | Annual Forecast 2023-24 | Annual Forecast 2023-24 | Actual YTD 2023-24 | Variance from Q2 |             |
|--|---|---------------------------|-------------------------|-------------------------|--------------------|------------------|-------------|
|  |   |                           | Q2                      | Q3                      |                    | \$'000           | %           |
|  |   |                           | \$'000                  | \$'000                  | \$'000             |                  |             |
| Land Use Planning                                | The Land Use Planning program ensures that the Borough conserves its unique heritage, that the built environment is enhanced by design excellence, and that local amenity is protected against inappropriate land use and development.  | D/funding                 | 150                     | 150                     | 125                | 0                | 0.0%        |
|  |   | Exp                       | (580)                   | (580)                   | (336)              | 0                | 0.0%        |
|  |   | <b>Surplus/ (deficit)</b> | <b>(430)</b>            | <b>(430)</b>            | <b>(211)</b>       | <b>0</b>         | <b>0.0%</b> |
| Building Control                                 | The Building Control program ensures that building construction and maintenance is such that the community remains safe.  | D/funding                 | 28                      | 28                      | 24                 | 0                | 0.0%        |
|  |   | Exp                       | (243)                   | (243)                   | (139)              | 0                | 0.0%        |
|  |   | <b>Surplus/ (deficit)</b> | <b>(215)</b>            | <b>(215)</b>            | <b>(115)</b>       | <b>0</b>         | <b>0.0%</b> |
| Asset Management and Appearance of Public Places | The Asset Management and Appearance of Public Places program ensures the safety and functionality of public places and infrastructure. This program promotes community wellbeing and encourages people to be active in public settings. | D/funding                 | 817                     | 817                     | 326                | 0                | 0.0%        |
|  |   | Exp                       | (2,547)                 | (2,547)                 | (1,161)            | 0                | 0.0%        |
|  |   | <b>Surplus/ (deficit)</b> | <b>(1,730)</b>          | <b>(1,730)</b>          | <b>(834)</b>       | <b>0</b>         | <b>0.0%</b> |
| Powerline Safety                                 | The Powerline Safety program assists in the provision of a safe environment and protection of the Borough's significant vegetation from fire by maintaining clear zones around powerlines to standards as set by legislation.           | D/funding                 | 0                       | 0                       | 0                  | 0                | 0.0%        |
|  |   | Exp                       | (74)                    | (74)                    | (10)               | 0                | 0.0%        |
|  |   | <b>Surplus/ (deficit)</b> | <b>(74)</b>             | <b>(74)</b>             | <b>(10)</b>        | <b>0</b>         | <b>0.0%</b> |
| <b>TOTAL</b>                                     | <b>Income</b>   |                           | <b>995</b>              | <b>995</b>              | <b>475</b>         | <b>0</b>         | <b>0.0%</b> |
|  | <b>Expenditure</b>  |                           | <b>(3,444)</b>          | <b>(3,444)</b>          | <b>(1,645)</b>     | <b>0</b>         | <b>0.0%</b> |
|  | <b>Surplus/ (deficit)</b>   |                           | <b>(2,449)</b>          | <b>(2,449)</b>          | <b>(1,170)</b>     | <b>0</b>         | <b>0.0%</b> |

## Portfolio 5: Governance and finance.

To provide a financially viable Council that is accountable, transparent and practices good governance. The key service objectives for each program area are described below.

| Description of services provided  |                           | Annual Forecast 2023-24 Q2 | Annual Forecast 2023-24 Q3 | Actual YTD 2023-24 | Variance from Q2 |             |
|---|---------------------------|----------------------------|----------------------------|--------------------|------------------|-------------|
|   |                           | \$'000                     | \$'000                     | \$'000             | \$'000           | %           |
| The Council Governance program supports the Mayor and Councillors to maintain a cohesive Council and a well-governed Borough.   | D/funding                 | 0                          | 0                          | 0                  | 0                | 0.0%        |
|   | Exp                       | (478)                      | (478)                      | (391)              | 0                | 0.0%        |
|   | <b>Surplus/ (deficit)</b> | <b>(478)</b>               | <b>(478)</b>               | <b>(391)</b>       | <b>0</b>         | <b>0.0%</b> |
| The Organisational Performance and Compliance program supports the Chief Executive Officer and Executive Management Team to maintain a cohesive, well-managed and highly performing organisation. | D/funding                 | 34                         | 34                         | 36                 | 0                | 0.0%        |
|   | Exp                       | (648)                      | (648)                      | (400)              | 0                | 0.0%        |
|   | <b>Surplus/ (deficit)</b> | <b>(614)</b>               | <b>(614)</b>               | <b>(364)</b>       | <b>0</b>         | <b>0.0%</b> |
| The Community Engagement and Customer Service program aims to facilitate community involvement in decision-making, and to deliver high quality customer service.                                  | D/funding                 | 0                          | 0                          | 6                  | 0                | 0.0%        |
|   | Exp                       | (709)                      | (709)                      | (444)              | 0                | 0.0%        |
|   | <b>Surplus/ (deficit)</b> | <b>(709)</b>               | <b>(709)</b>               | <b>(439)</b>       | <b>0</b>         | <b>0.0%</b> |
| The Financial and Risk Management program seeks to ensure the ongoing independence and financial sustainability of the Borough.   | D/funding                 | 612                        | 612                        | 683                | 0                | 0.0%        |
|   | Exp                       | (1,658)                    | (1,658)                    | (1,226)            | 0                | 0.0%        |
|   | <b>Surplus/ (deficit)</b> | <b>(1,046)</b>             | <b>(1,046)</b>             | <b>(543)</b>       | <b>0</b>         | <b>0.0%</b> |
| <b>Income</b>   |                           | <b>647</b>                 | <b>647</b>                 | <b>725</b>         | <b>0</b>         | <b>0.0%</b> |
| <b>Expenditure</b>  |                           | <b>(3,493)</b>             | <b>(3,493)</b>             | <b>(2,460)</b>     | <b>0</b>         | <b>0.0%</b> |
| <b>Surplus/ (deficit)</b>   |                           | <b>(2,847)</b>             | <b>(2,847)</b>             | <b>(1,736)</b>     | <b>0</b>         | <b>0.0%</b> |

## 2.2. Governance and Management Checklist

The Governance and Management Checklist measures whether a council has strong governance and management frameworks in place covering community engagement, planning, monitoring, reporting and decision making. It includes 24 qualitative measures against which Council is assessed each financial year. An update against the checklist is presented a half yearly basis (with December and June quarterly financial reports).

## 2.3. Prescribed indicators, measures and results of service performance

The Performance Statement must include the results achieved in relation to prescribed:

- sustainable capacity;
- service performance; and
- financial performance.

Councils must provide an explanation of any material variations in the results between the current year and other years disclosed, to enable the reader to form an understanding of the reason for the variation. An update against the performance measures will be presented a half yearly basis (with December and June quarterly financial reports).

## Appendix A – Projected Reserve balances as at 30 June 2024.

| Other Reserves  | Actual<br>2022-23 | Annual<br>Forecast<br>2023-24<br>Q2 | Annual<br>Forecast<br>2023-24<br>Q3 | Variance from Q2<br>Annual Forecast |                |
|---|-------------------|-------------------------------------|-------------------------------------|-------------------------------------|----------------|
|   |                   |                                     |                                     | \$'000                              | %              |
|   | \$                | \$                                  | \$                                  |                                     |                |
| <b>Sales proceeds form assets sales</b>                     |                   |                                     |                                     |                                     |                |
| Murray Road land sale proceeds                              | 3,500,000         | 3,450,000                           | 3,450,000                           | 0                                   | 0.0%           |
| <b>Total - sales proceeds from assets sales</b>             | <b>3,500,000</b>  | <b>3,450,000</b>                    | <b>3,450,000</b>                    | <b>0</b>                            | <b>0.0%</b>    |
|   |                   |                                     |                                     |                                     |                |
| <b>Carry forward capital expenditure reserve</b>            |                   |                                     |                                     |                                     |                |
| Royal Park oval upgrade                                     | 360,000           | 360,000                             | 360,000                             | 0                                   | 0.0%           |
| ICT transformation project                                  | 312,743           | 234,399                             | 234,399                             | 0                                   | 0.0%           |
| New bike track/park   | 195,900           | 165,900                             | 165,900                             | 0                                   | 0.0%           |
| Princess Park kiosk toilet upgrade                          | 60,000            | 60,000                              | 60,000                              | 0                                   | 0.0%           |
| Town hall audio visual equipment upgrade project (with QMF) | 57,900            | -                                   | -                                   | 0                                   | 0.0%           |
| Hesse Street streetscape                                    | 50,000            | -                                   | -                                   | 0                                   | 0.0%           |
| Weeroona Parade toilet                                      | 40,000            | 40,000                              | 40,000                              | 0                                   | 0.0%           |
| Queenscliffe Cultural Hub                                   | 60,392            | -                                   | -                                   | 0                                   | 0.0%           |
| Toc H Toilet upgrade  | 180,000           | -                                   | -                                   | 0                                   | 0.0%           |
| Queenscliffe CBD 24-hour toilet                             | 250,000           | 240,000                             | 240,000                             | 0                                   | 0.0%           |
| Safety improvement work by DEECA at Narrows Beach           | 40,000            | -                                   | -                                   | 0                                   | 0.0%           |
| Implementation of a tree management system                  | 50,000            | -                                   | -                                   | 0                                   | 0.0%           |
| Restoration and Upgrade of P1 Hut at PL Lighthouse          | 54,609            | -                                   | -                                   | 0                                   | 0.0%           |
| Hesse Street link to boat ramp                              | 19,500            | -                                   | -                                   | 0                                   | 0.0%           |
| Murray Road Shared Path                                     |                   | 10,000                              | 10,000                              | 0                                   | 0.0%           |
| <b>Total - carry forward capital expenditure reserve</b>    | <b>1,731,044</b>  | <b>1,110,298</b>                    | <b>1,110,298</b>                    | <b>0</b>                            | <b>0.0%</b>    |
|   |                   |                                     |                                     |                                     |                |
| <b>Carry forward operating expenditure reserve</b>          |                   |                                     |                                     |                                     |                |
| Marine coastal management plan                              | 176,200           | 116,200                             | 116,200                             | 0                                   | 0.0%           |
| Review of planning scheme (Heritage Provisions)             | 94,591            | 74,591                              | 74,591                              | 0                                   | 0.0%           |
| Development of a Tree Management Plan (Victoria Park )      | 24,630            | 1,963                               | 1,963                               | 0                                   | 0.0%           |
| Database of Photos of the Borough                           | 3,000             | -                                   | -                                   | 0                                   | 0.0%           |
| Queenscliffe Neighbourhood House Solar                      | 4,659             | -                                   | -                                   | 0                                   | 0.0%           |
| Biannual Energy Efficiency Audit and Education Program      | 17,600            | -                                   | -                                   | 0                                   | 0.0%           |
| CERP monitoring and evaluation dashboards                   | 5,000             | -                                   | -                                   | 0                                   | 0.0%           |
| Gender Equality Actions                                     | 5,953             | 4,953                               | 4,953                               | 0                                   | 0.0%           |
| <b>Total - carry forward operating expenditure reserve</b>  | <b>331,634</b>    | <b>197,708</b>                      | <b>197,708</b>                      | <b>0</b>                            | <b>0.0%</b>    |
|   |                   |                                     |                                     |                                     |                |
| <b>Asset replacement reserve</b>                            | <b>1,665,737</b>  | <b>1,573,449</b>                    | <b>1,573,449</b>                    | <b>0</b>                            | <b>0.0%</b>    |
| <b>Defined Benefits Superannuation Liability</b>            | <b>40,000</b>     | <b>40,000</b>                       | <b>40,000</b>                       | <b>0</b>                            | <b>0.0%</b>    |
| <b>Standard kerbside waste reserve</b>                      | <b>(81,603)</b>   | <b>(82,731)</b>                     | <b>(33,576)</b>                     | <b>49,155</b>                       | <b>(59.4%)</b> |
| <b>Public waste reserve</b>                                 | <b>24,067</b>     | <b>(11,393)</b>                     | <b>(60,548)</b>                     | <b>(49,154)</b>                     | <b>431.4%</b>  |
| <b>Unallocated cash reserves / general reserve</b>          | <b>1,123,660</b>  | <b>1,383,098</b>                    | <b>1,383,098</b>                    | <b>0</b>                            | <b>0.0%</b>    |
| <b>Total</b>  | <b>8,335,538</b>  | <b>7,665,429</b>                    | <b>7,665,428</b>                    | <b>1</b>                            | <b>0.0%</b>    |

Total reserve balance is reflected in the Statement of changes in Equity (section 1.3) under other reserves.