

QUARTERLY FINANCIAL REPORT - DECEMBER 2024

Report Author: Executive Officer – Management Accounting
Responsible Officer: Director Corporate Services
Ward(s) affected: (All Wards);

SUMMARY

The attached December 2024 Finance Report has been prepared as of 31 December 2024.

The report includes financial year-to-date data up to the end of December for the 2024-2025 financial year and is compared to adopted budget for the financial year 2024-2025.

RECOMMENDATION

That Council receives and notes the Finance Report for the six months to 31 December 2024.

RELATED COUNCIL DECISIONS

Not applicable.

DISCUSSION

Purpose and Background

Section 101 of the *Local Government Act 2020* outlines the financial management principles that Council needs to adhere to monthly reporting to the Executive Leadership Team (ELT) and quarterly reporting to Council and the Audit and Risk Management Committee on the operational financial results fulfils this requirement.

Summary of year-to-date results

Comprehensive Result (Net Surplus)

YTD comprehensive result of \$8.4m is \$7.9m favourable over the adopted budget. This is due to:

- Overall revenue is \$12.9m above budget, this predominantly relates to Grants – Capital being above Budget by \$16.2m due to grant revenue budgeted to be received in 2023-2024 however was received in July and August 2024.

This is partially offset with Grants Capital being under budget by \$1.7m due to a delay in project milestones and unearned income not yet recognised.

- This favourable result is partially offset by increases in total expenses being over budget by \$7.1m, this predominantly relates to Materials and Services in expenditure of contracted spend due to storm clean up and tree services, Employee benefits \$1m due to contractor costs, and \$0.5m due to depreciation and amortisation with the capitalisation of assets YTD of \$34m.

Balance Sheet and Cash Flow Statement

Cash and investment holdings ended 31 December at \$8.8m representing a declining cash position. The Balance Sheet presents a positive working capital of \$31.3m (total current assets of \$108m less total current liabilities of \$76.7m). This reflects Council's ability to meet its obligations as and when they fall due.

Capital Program

Capital expenditure finished the month at \$5.1m against a budget of \$5.5m for December. Year to Date capital expenditure of \$26.7m is \$6.3m or 19% below the YTD Adopted Budget of \$33.0m.

FINANCIAL ANALYSIS

The attached report outlines the financial performance and position of Council's activities as at the end of December 2024 with variance commentaries on performance by income/expenditure type.

STRATEGIC CONTEXT

Sound financial management and reporting of Council's activities forms part of Council's commitment to be a High Performing Organisation, one of the five Key Strategic Objectives outlined in the Council Plan.

RISK ASSESSMENT

A risk assessment has been considered in relation to the financial report and deemed an acceptable level of risk.

CONFLICTS OF INTEREST

No officers and/or delegates acting on behalf of the Council through the Instrument of Delegation and involved in the preparation and/or authorisation of this report have any general or material conflict of interest as defined within *the Local Government Act 2020*.

ATTACHMENTS TO THE REPORT

1. Financial Report – December 2024